



An Israeli civilian in Gaza shoots yesterday in the direction of Palestinian demonstrators who threw rocks and bottles at passing cars with Israeli licence plates. (AFP)

## Soldier stabbed in Rafiah

# Gaza workers urged to stay home, to use boycott as means of protest

By BRADLEY BURSTON / Jerusalem Post Reporter  
GAZA — Despite the afternoon stabbing of an IDF soldier in Rafiah and sporadic unrest in many parts of the Gaza Strip, both demonstrators and security forces yesterday gave indications that the bloody confrontations of the last week may be giving way to a tense period of relative quiet.

Well before dawn yesterday, youths circulated through refugee camps and other centres in an effort to dissuade workers from going to jobs in Israel.

The campaign to keep workers at home, which has gathered momentum throughout the week, seemed yesterday to have displaced rioting against troops as the focus of activity among demonstrators.

Hundreds of barricades were erected across main roads to discourage travel to Israel, and in numerous cases stones and metal objects were hurled at drivers who braved the barricades. One Gazan reported that his tyres had been slashed after he ignored warnings not to drive to his job in Israel.

Demonstrators also blocked the "bypass road," a highway built to allow settlers, army personnel, and Gaza workers to avoid potentially hazardous refugee camps and towns.

Though troops were under strict orders not to open fire on crowds, a man in civilian clothing was filmed clearing a section of the bypass by shooting an Uzi submachine gun at demonstrators.

OC Central Southern Command Yitzhak Mordechai ordered an investi-

gation to determine the identity of the man. Gulei Zahal reported last night, Mordechai vowed to do whatever he could to locate the man and to clarify if there had been any need for the shooting.

Senior military sources, quoted by Israel Radio, expressed "amazement" at the incident. They said that the number on the licence plate of a vehicle parked at the scene of the shooting was being traced, and that eye-witnesses were being questioned.

At the entrances to a number of refugee camps hand-hill by recent rioting, troops staged massive shows of force but remained in place.

Khan Yunis experienced only scattered unrest yesterday. "The people here are exhausted," said an elderly shopkeeper in the town's shut-down business district. "They have no more energy now."

Some Gaza city shopkeepers opened their stores during a morning tour of the area by Mordechai and the coordinator of activities in the territories, Shmuel Goren. Several closed their doors soon after the visit, however, responding to threats by demonstrators.

In the afternoon, as demonstrations in Sejaiya, Jabalya, and other areas died down, an IDF soldier was stabbed in Rafiah after his patrol had been summoned to break up a gathering of youths.

The injured soldier, 19-year-old Moshe Chapel, opened fire on his attacker. Members of the patrol also fired, wounding three youths standing close to the scene.

The soldier was airlifted to Beersheba's Soroka Hospital for treatment. His wounds were described as "light to moderate."

(Continued on back page)

## South Korea's ruling party comes out on top in national elections

SEOUL — Ruling party candidate Roh Tae Woo was heading for a major victory late last night in South Korea's first democratic presidential election in 16 years. The government warned opponents not to challenge the outcome.

With 55 per cent of the vote from yesterday's election counted, Roh was leading with 39 per cent, the national election commission said. Opposition candidate Kim Young Sam trailed with 26 per cent, followed by rival opposition candidates Kim Dae Jung with 24.5 per cent and Kim Jong Pil with 8 per cent, it said.

Korea Broadcasting System (KBS), the state-owned broadcasting network, said computer projections indicated Roh would win the presidency with about 38 per cent of the vote.

Polls opened under clear skies at 7 a.m. local time. The day was de-

clared a national holiday, and all government and private offices and schools were closed.

The election commission reported that about 89 per cent of the country's 26 million eligible voters cast ballots. Lines of people had formed outside polling stations.

Several voters expressed hope that the election would lead to democracy and stability. They seemed to be in a relaxed mood, enjoying the calm after a bitter and sometime violent election campaign.

Many people said they did not want a repeat of the riots held during the summer that turned Seoul and other cities into battlefields.

The national coalition for democracy said it was receiving reports of hundreds of cases of fraud by the government in Seoul and other cities. The opposition alliance claimed some 3,000 cases of fraud in Seoul

alone, but the government rejected the charges and accused the opposition of trying to wreck the election.

Coalition officials claimed that government workers and employees of state-run businesses had been instructed to vote for Roh and that DJP officials had distributed money and gifts of food and clothing to curry favour with voters.

President Chun Doo Hwan, a former general who took power with military backing in 1980, bowed to opposition demands for direct presidential elections after massive protests in June.

Chun, who had picked Roh to succeed him, is to step down on February 25 at the end of a seven-year term in what would be the first peaceful transfer of power in a nation dominated by political strongmen since its founding in 1948. (AP, AFP)

## Deaths in areas deplored

Jerusalem Post Staff and Agencies

Prime Minister Yitzhak Shamir yesterday expressed "our great sorrow that people have been killed," in the course of the IDF's attempts to restore calm to the territories.

"The premier blamed the heads of 'the terrorist organizations' for sending people out to protest. 'Their leaders bear full responsibility,'" he said.

Meanwhile, U.S. Ambassador Thomas Pickering has expressed "sorrow" about the violence, and said that the U.S. was hoping that the situation would stabilize. Prime Minister Shamir said yesterday that he had not received any protest from Ambassador Pickering in regard to the violence in the territories.

The situation in the West Bank and Gaza was also the topic of a discussion between Egyptian Ambassador Mohammed Bassuny and senior members of the Foreign Ministry. Cairo felt that Israel has not implemented the proper procedures for dealing with the violence, the Egyptian envoy said.

In London, a Foreign Office spokesman deplored the violence in the Gaza Strip and urged Israeli troops to act in a more humane way. "We urge both Palestinians and Israelis in the occupied territory to avoid actions which risk intensifying the cycle of violence," the spokesman said.

In Paris the French government on Wednesday expressed concern over the violence in the territories and said continuing unrest undermined the need for an international peace conference on the Middle East.

An official statement published after a regular meeting between the Conservative cabinet of Prime Minister Jacques Chirac and Socialist President Francois Mitterrand deplored the loss of life "particularly among the people of the occupied territories and the refugee camps."

Prime Minister Chirac yesterday for the first time officially received the PLO's representative in Paris, Ibrahim Souss. He was part of a delegation of Arab ambassadors from Morocco, Iraq, Jordan, Syria and the Arab League who had come to ask Chirac to "firmly condemn in a concrete manner the events in the occupied Palestinian territories."

Later in the day, Souss told a press conference held at the National Assembly that he was appealing to Israel's Peace Now movement, and recalled the demonstration of 400,000 Israelis in Tel Aviv to protest against the massacres of Sabra and Shatilla in 1982. "Where are those 400,000 now? Have they been muzzled by the military authorities?" he asked.

## Soldier describes stabbing

By BRADLEY BURSTON  
Jerusalem Post Reporter

BEERSHEBA — "He stopped in front of me and we looked at each other for a moment. I was suspicious of him. Just as I was suspicious of any youth there who stopped to face me. After we passed each other, I heard him shout something like 'Od-bah al-Yehood' (Slaughter the Jews) and felt three deep stabs in my back."

Moshe Chapel, a 19-year-old soldier, was part of the recent troop buildup in the southern Gaza Strip town of Rafiah when the attack occurred yesterday afternoon.

Last night, recovering from the attack in Soroka Hospital here, Chapel said that his first response was to strike his assailant in the face with the stock of his rifle.

"Then I cocked the rifle and fired at him. I don't know if I hit him or if he was hit by one of the other members of the patrol, but I know he was hit."

In all, four Gazans were wounded in the exchange, including the knife-wielding suspect.

Last night, it was learned that a close relative of the suspect has been arrested by the Shin Bet for terrorist activity, and that security forces believe that yesterday's attack was also the work of a Gaza terror cell.

## MKs throw verbal stones in debate

By DVORAH GETZLER  
Post Knesset Reporter

Temper ran high in the Knesset yesterday when Transport Minister Haim Corfu reminded Mapam MK Mohammed Wartad that "you benefit from Israeli democracy. You would not permit yourself to behave in this manner in any Arab parliament."

That, shouted the Labour Party's Abd-el Wahab Darousha, leaping to his feet as Mapam and Citizens Rights Movement MKs added their protests to his. "Is a racist remark!"

The incident took place as the House debated and defeated motions of no-confidence in the government for its handling of the unrest in the territories.

Later, the Likud's Michael Eitan was to term Progressive List for Peace MK Mohammed Miar "an agent of the PLO," a charge that Miar countered by calling Eitan "a fascist."

The left could only condemn and lament, with Miar speaking from the podium in Arabic and reading a list of 19 names of those who, he said, had died in the violence in the territories since December 9.

The right could only insist that the IDF was not an army of occupation.

And the minister could do little but ask his opponents where they had been throughout 19 years of Jordanian occupation of the West Bank; suggest to them that if television were blacked out there would be not even a hint of the signs of rebellion noted by the CRM's Yossi Sarid, but only peace and tranquillity; protest that were Israel to vacate the Gaza Strip that would solve nothing; and reproach Shinui MK Amnon Rubinstein for not having made a case, while he was still in the government, against blowing up terrorist homes.

There was no need for panic, Corfu insisted. The language of his opponents would only incite further violence. Stones had been thrown in the past, and stores had been shuttered. But Jews and Arabs had to live together according to the auton-

## Changes in patrol of Balata after probe of vandalism

By JOEL GREENBERG and JOSHUA BRILLIANT  
Jerusalem Post Reporters

"Conclusions have been drawn" and changes made as a result of an investigation of the incidents involving Border Police in the Balata refugee camp, a top military source said yesterday.

Furniture and windows were broken in several homes, and residents complained of being beaten and humiliated by Druse Border Policemen in the aftermath of a clash in the camp on Friday, in which three camp residents were killed. OC Central Command Amram Mizna this week issued stern warnings to Border Police commanders at the scene against such conduct.

IDF troops have been assigned to patrol with the Border Police and more Border Police officers have been added to the patrols, to prevent the recurrence of such incidents.

A group of 12 Balata residents yesterday petitioned the High Court of Justice for an order requiring the defence minister and the IDF commander in the West Bank to show cause why they should not stop the alleged brutality, insults and shootings by Border Policemen, and prosecute those who took part in such actions. The petition on their behalf was submitted by attorney Felicia Langer.

In affidavits signed by the petitioners, some charge that they had

been shot by Border Policemen although there had been no provocation on their part. One petitioner, Hanna Kaabeh, 23, said she lost a kidney and was paralyzed in one leg after she was shot from behind as she was walking to visit her wounded aunt. Others reported that Border Policemen broke into homes, cursed and beat the occupants, lobbed tear gas grenades and shot rubber bullets at people inside homes, and in one case locked a man in a room as they beat up his family.

A group of Balata residents met yesterday in the West Galilee Druse village of Julis with the head of the Israeli Druse community, Sheikh Amin Tarif, to protest against their treatment by the Druse Border Policemen. Sheikh Tarif told them that the Border Policemen at Balata had been following orders.

A senior military source said that one of the major lessons from the recent unrest was the need to improve communication between the army and the local population, both to disprove false rumours and get across messages.

Mizna this week visited the Balata camp and listened to residents' complaints, and was also interviewed on Israel Television's Arabic service.

The source said that beyond all other causes of the unrest, "the large number of (Palestinian) casualties" (Continued on Page 2, Col. 2)

## BBC editing angers Herzog

By DAVID HOROVITZ

Jerusalem Post Correspondent  
LONDON — President Chaim Herzog, who concluded his visit to the UK yesterday with a Downing Street luncheon hosted by Premier Thatcher, is understood to be furious with the BBC for "tearing up and distorting" a television interview in which he discussed the factors behind the violence in the territories.

According to Israeli sources, the president was given an assurance that the interview, conducted by Donald McCormick for BBC2's authoritative *Newsnight* programme, would not be cut or tampered with. It was cut, however, and Herzog is said to be fuming because he feels that his explanations for the unrest in Gaza and the West Bank were distorted in the process.

A BBC spokesman said last night that "no promises" had been made to Herzog regarding editing.

## Fuel prices drop

Post Economic Staff

The price of heavy residual fuel for industrial use and for electricity goes down today by 6 per cent, the Energy Ministry announced last night. It said that fuel for the petrochemical industry would be cut by 4 per cent.

The cuts, which reflect lower prices in the world energy markets and announced in principle earlier this week, are reportedly intended to reduce manufacturers' production costs and mitigate the effects of the shekel's recent gains against the dollar.



Police yesterday examine a bus stop shelter in the capital's Ramot neighbourhood that was burned by vandals. (Yitzhak Elhanan/Scoop 80)

## Bus stop vandalism followed by arrests

Police arrested two young ultra-Orthodox men shortly after a bus stop in Jerusalem's Ramot neighbourhood was torched early yesterday morning.

The suspects, both in their twen-

ties, were apprehended by a police patrol after a passerby noted the number of a vehicle that raced from the fire. Bottles containing an inflammable substance were found in the suspects' car. (Itim)

## Sharon flat provokes disturbances

By ANDY COURT

For The Jerusalem Post  
There were public disturbances and heated debates in Jerusalem yesterday over Industry and Trade Minister Ariel Sharon's new home in the Moslem Quarter of the Old City.

In East and North Jerusalem, youths angered by Sharon's move and by the situation in the territories threw stones and burned tyres. Shops and private schools were closed.

No injuries were reported, but there were a number of small incidents throughout the city — from Shuafat Road in the north to the Abu Tor traffic circle in the south,

from Salah e-Din Street in East Jerusalem to the prime minister's home in Rehavia.

A total of 19 demonstrators were arrested, 12 of them at a demonstration in front Prime Minister Shamir's house. (See story, page 2.)

Some Labour politicians and Moslem leaders said they were outraged by Sharon's move.

Absorption Minister Ya'acov Tsur called it "hooliganism under government auspices."

The mufti of Jerusalem, Sheikh Sa'ad al-Din al-Alami, decried the "dangerous...and infuriating act" of "the butcher of Lebanon, the blood-thirsty Sharon." He charged that it was part of a government-backed

plan to "kick out" the Arabs.

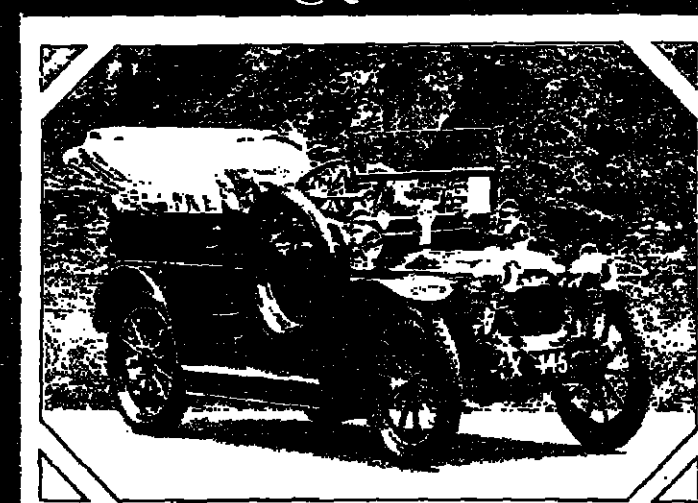
Sharon said yesterday that his move was intended to improve the security situation in the Moslem Quarter following the murder of two students there. He said he hoped his presence would draw more Jews to live in the area.

As for the large police contingent required to protect him in the Old City, Sharon said: "I never requested any protection. And if, as a result of my work over the last few decades against Arab terror, I have become a terrorist target, I don't have to apologize for it."

He claimed that former premier Menachem Begin had telephoned to

(Continued on Page 2, Col. 6)

## Selling your car?



Hurry!

There are only a few hours left to place your classified ad for tomorrow's *Luan Ma'ariv*. Just take your ad to any advertising agency, or to an office of *Ma'ariv* (or call 03-439439) and it will run in *Hebrew* in that paper. Hand it in early enough to make sure it reaches the office of *Luan Ma'ariv* before 5 p.m. today and your ad will also appear in *English* in *The Jerusalem Post*.

Beat that deadline!



## The weather at major Swissair destinations

	16.12.87	MIN.	MAX.	
AMSTERDAM	7	45	8	Cloudy
BRUSSELS	3	37	10	Rain
BUENOS AIRES	21	58	84	Rain
CHICAGO	-2	28	34	Clear
COPENHAGEN	0	32	37	Cloudy
FRANKFURT	0	32	37	Rain
GENEVA	3	27	4	Clear
HELSINKI	-7	19	-3	Clear
HONG KONG	13	55	18	Clear
JAKARTA	18	61	23	Cloudy
LONDON	14	57	18	Rain
LONDON	7	45	13	Clear
MADRID	9	48	13	Cloudy
MONTREAL	-5	23	32	Cloudy
NEW YORK	2	38	47	Cloudy
OSLO	-4	21	-2	Clear
PARIS	5	42	13	Cloudy
RIO DE JANEIRO	18	57	28	Clear
SAO PAULO	10	50	29	Cloudy
STOCKHOLM	-4	21	-2	Clear
TOKYO	4	39	18	Clear
TORONTO	1	39	37	Cloudy
VIENNA	-5	23	-2	Clear
ZURICH	-5	23	10	Rain

\*For the latest weather conditions contact Swissair.

To: Avia, 1 Ben Yehuda St., Tel. 03-5103020  
Jerusalem 70 0476 St. 02-2317373  
Hava 2 Sea Road, 01551665  
Box Sheva, 26 HaMavot St., 067-03262  
Cargo, Ben Gurion Airport, 03-971-2151

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## THE WEATHER

Forecast: Partly cloudy with drop in temperature.

	Yesterday's	Today's	Max
Jerusalem	45	10-17	17
Golan	45	10-17	17
Nahariya	18	10-13	13
Safed	12	10-13	13
Haifa Port	12	10-13	13
Tiberias	53	15-22	21
Nazareth	52	10-17	16
Afula	41	10-17	16
Shomron	54	10-18	17
Tel Aviv	59	12-21	20
B-G Airport	57	8-21	20
Jericho	41	10-23	22
Gaza	72	12-20	20
Beersheba	46	9-20	20
Eilat	29	12-26	25

## SOCIAL &amp; PERSONAL

A symposium marking the centennial of the U.S. National Institutes of Health was held yesterday at the Weizmann Institute of Science. The participants heard greetings from Prof. Shmuel Shaltiel, deputy president of the Weizmann Institute, and Dr. Joseph E. Rall, deputy director for intramural research of NIH. Lectures were given by Dr. Robert C. Gallo and Dr. Michael Zaslowski of NIH, and Professors Michael Feldman and Leo Sachs of the Weizmann Institute. Sessions were chaired by Dr. Shmuel Penhas, director-general of the Hadassah Medical Organization, and Weizmann Institute Professor Michael Sela.

## Tear gas at demo outside Shamir's home

By GREER FAY CASHMAN  
Jerusalem Post Reporter

Police last night used tear gas to disperse an illegal demonstration by Arab and Jewish students outside the home of Prime Minister Shamir in Jerusalem.

A student spokesman said that they had received permission to mount a protest vigil, but Sgan Nit-zav Eitan Katz, head of operations in the Jerusalem police force, told reporters that the students had assembled without a permit and without notifying law enforcement officials.

At approximately 8 p.m. some 60 students affiliated with the Hebrew University's Campus Movement gathered directly across the road from the prime minister's residence.

Police arrived at 8:20, by which time the number of demonstrators had swelled to over 100. The demonstrators were moved to nearby Rehov Aza, and then ordered to disband.

Soon afterwards a policeman moved into the crowd and began shooting tear gas. Twelve people were taken into custody. One had been injured in the fray and was treated by a police paramedic.

By ANDY COURT  
For The Jerusalem Post

No one took much notice of her amid all the commotion in Jerusalem's Moslem Quarter on Tuesday night.

The political left was busy screaming at the political right on the steps outside Damascus Gate. The photographers were busy snapping pictures of influential Likudniks arriving at Ariel Sharon's new home.

And so, escorted by her brother, she quietly slipped out of the Old City. This was one night that Ariel Sharon's Arab neighbour had no desire to spend at home.

"Please, no names," she said, because she is afraid.

When she came to her apartment on Tuesday afternoon, the door was broken and her home was in disarray. The police

## Fear enters neighbourhood with Sharon

explained that they had a search warrant and that no one had been home to open the door.

Nothing was taken, she said, but a safe was forcibly opened and her belongings were strewn all over the place. A police dog had sniffed around her living room, searching for explosives.

Her father had moved into the house in 1946, paying rent to an Arab merchant who in turn paid rent to the Wittenberg Trust, a Jewish charitable foundation.

She was a little girl when the 1948 war broke out, and only remembers that her

family chose not to leave Jerusalem, despite all the fighting. After the war, they continued to pay rent to the Arab merchant, who in turn paid rent to Jordan's Custodian for Absentee Property.

After she married, her father moved to a new house and gave her and her husband the apartment. There she raised seven children, five of whom are now married.

During the Six Day War, she and the children huddled in the building's basement during the fighting. She remembers the path the Israeli soldiers took past her building, and her fears of what would become of her family.

After the war, the rent was still paid to the Arab merchant, who paid Israel's Custodian for Absentee Property, and later the Wittenberg Trust, which legally reclaimed the buildings it once owned.

Through all the violence that surrounded and ultimately pierced her life, the home remained a constant. And then one day several months ago, she and her neighbours discovered that those residents whose contracts did not protect them — she is protected — from immediate eviction were on their way out.

The people in the neighbourhood are

convinced that the Arab merchant who had been sub-letting the apartments all these years finally sold out to the Jews.

Yet that question is now academic. The yeshiva students are here, and so is Ariel Sharon. He has painted his chimney a bright blue, and there's a 2.5 metre-high hammukia on the roof.

"Do you know what Sharon means for the people here?" asked a Palestinian guest in the woman's living room. "Sabra and Shatilla."

Her family has received generous offers of money or a new house if they will only move out. Her 21-year-old son, who has never lived anywhere else, replies that he would no sooner leave the apartment than most people would leave their country.

"This house is my country," he said.

## Brazilian firm denies planning N-capable missiles for Iraq

By KEN SCHACHTER  
For The Jerusalem Post

TEL AVIV — A Brazilian arms producer has denied that it is developing a nuclear-capable missile for Iraq.

A spokesman for Brazil's Avibras weapons manufacturer confirmed Tuesday a report that it was developing a ballistic missile, but denied that the weapon, with a range of 300 km., was being designed to carry a nuclear warhead or that Iraq is helping to finance the project, a Reuters dispatch said.

But Ze'ev Eytan, of Tel Aviv University's Jaffee Centre for Strategic Studies, said that Brazil, the largest Third World arms producer, is already providing Iraq with arms essential to its war effort against Iran.

Of Brazil's more than \$1.5 b. in worldwide arms exports, Eytan

said, about 60 per cent go to the Middle East, with Iraq the largest customer. Brazil already sells Iraq, armoured personnel carriers, armoured reconnaissance vehicles, training aircraft and multiple rocket-launchers.

Eytan said that the 300 mm. version of the rocket launcher, with a range of 68 km., is "almost a surface-to-surface missile." Although it lacks a guidance system and is aimed in the manner of an artillery shell, Eytan said, the rocket can carry the kind of battlefield nuclear weapons fielded by the superpowers.

Nonetheless, both Brazil and Iraq remain several years away from the nuclear threshold, he said. The Israeli bombing of Iraq's French-built nuclear reactor in 1981 "set back" the programme by several years, Eytan said, but didn't derail it entirely.

Brazil is thought to be Iraq's third largest arms supplier, after the Soviet Union and France, Eytan said, and perhaps the eighth biggest arms seller in the world. Israel's ranking is between 12th and 15th.

Avibras's development of ballistic missiles capable of carrying nuclear warheads or chemical weapons was revealed by Aaron Karp, who tracks international arms dealing for the Stockholm International Peace Research Institute. Reuters quoted Karp as saying the Iraqis have been "fully briefed" on the missile, which is due to be ready within two years.

Brazilian weapons have also been getting to the other side in the Gulf War. Eytan said that Brazilian armoured personnel carriers and some less advanced multiple rocket-launchers have been funnelled to Iran through intermediaries, possibly Libya or Algeria.

## Suspect held in Jerusalem double killing

By ANDY COURT  
For The Jerusalem Post

A man who once worked for the Co-Op Supermarket chain was arrested yesterday in connection with the double-murder in the Hamashbir Hamerazi supermarket in Jerusalem three weeks ago.

The man, whose name has not been released, but who is known to be Jewish, had been detained for questioning in the early stages of the investigation, and released. He has now been arrested again because his alibi did not completely hold up, according to Jerusalem police chief Yosef Yehuda'i.

He will be brought before a judge today for remand. More arrests are likely this week, Yehuda'i said.

On November 25, supermarket manager Rafi Weizman, 35, and security guard Zechariya Maimoni, 65, were found with their throats slit in the supermarket in the basement of the Hamashbir department store on King George St. Thousands of shekels were missing from the supermarket safe.

## Anthropologist says photo identification 'indeterminate'

By ERNIE MEYER  
Jerusalem Post Reporter

The question whether the admission of a certain document violated the "no hearsay" rule of evidence occupied the court for the first hour of yesterday's proceedings. The document is a letter that anthropologist Dr. Don Ordner, who works for the Smithsonian Institute, wrote to fellow anthropologist Prof. Patricia Smith of the Hebrew University.



DEM JANJUK ON TRIAL

Smith testified for the prosecution in May and used the "partial superimposition method" in an attempt to prove that the photo on the 1942 Trawniki identity card was indeed that of the accused. The testimony of the current witness for the defence, Prof. Yasser Mehmed Iscan, is designed to counteract that of Smith. It is also meant to neutralize the testimony of the prosecution witness who preceded Smith, Gerstooze.

(Continued on Page Seven)



Smouldering tyres and scattered rocks litter a road in a-Tur in East Jerusalem. (IPFA)

(Continued from Page One)

alices constituted a major motivating force for the continuation of the riots.

IDF commanders say there were several immediate causes for the current unrest:

□ In the Gaza Strip a semi-trailer driven by a Jew swerved suddenly and collided with two Arab cars, killing their four passengers. Gaza Strip Arabs believed the accident was a Jewish attempt to avenge the fatal knifing of Shlomo Sakal in Palestine Square in Gaza City several days earlier.

□ An IDF move to assert control over the Balata camp, Fatah's youth movement, the Shabiba, tried to impose its rule over the camp's 12,000 to 15,000 residents. Hundreds of its members, hooded, armed with clubs and knives and calling themselves Ninjas, attacked suspected collaborators, and tried to form a local "police force." It became clear that "we were going to lose control of the camp," a senior commander said.

Accordingly, last Wednesday, the Border Police company stationed in Nablus was reinforced and ordered into Balata, which covers an area of some 360 dunams. Thus, instead of

## BORDER POLICE

one or two patrols a day, the Border Policemen were there around the clock, instructed to nip in the bud any gatherings which could turn into hostile activities.

The move shocked the camp and key leaders reportedly fled. But Moslem worshippers emerging from Friday prayers attacked patrols with axes, knives and bottles. One patrol retreated to safety but another was caught in an alley, and opened fire, killing three people, the officers said. The three belonged to families with a record of hostile activity, the authorities maintain.

□ Events in East Jerusalem also served as a catalyst. IDF officers would not dare criticize the political echelon in public, but there is no doubt that they believe Industry and Trade Minister Ariel Sharon's move into the Moslem Quarter was a major source of irritation.

□ Once disturbances began, the PLO jumped on the bandwagon and used several channels, including its offices in Jordan, to transmit orders to the West Bank.

In measures designed to calm the atmosphere, curfews were lifted to

allow labourers to go to work in the morning and return home at night. And municipal services continued functioning. The army also refrained from applying heavy pressure on Nablus' mayor, Hafez Touqan, and did not try to break up a business strike the council had called. The commanders reckoned that a mayor wavering between two sides could wield more influence than one perceived to be an Israeli stooge.

(Continued on Page Seven)

We mourn the passing of  
**WALLY GOLD**  
(formerly of London)  
Natalie David Davina and the family  
Shiva will take place at 10 Ussishkin Street, Herzliya.  
The funeral will take place today Thursday, December 17, 1987 at 1:30 p.m. at the Herzliya cemetery.

The Staff of the British Oil Society  
mourn the passing of  
**WALLY GOLD**  
and express sincere condolences to the family.

The Honorary Officers and Staff  
of the Joint Israel Appeal of  
Great Britain and Ireland  
deeply mourn the passing of  
**WALLY GOLD**  
and express heartfelt sympathy to  
his wife Natalie and the family

With deep sorrow we announce the passing of  
our dear sister and aunt  
**DINA ALLEN** ז"ל  
née Savransky  
She bequeathed her body to science.  
15.12.87 Kislev 24 5747.  
The Bereaved Family

SHARON FLAT  
(Continued from Page One)  
gave him his blessing.  
The cost of guarding Sharon in the Moslem Quarter will be \$500,000 a year in police salaries alone. This in addition to the \$180,000 currently spent on guarding his ranch, informed sources said on Tuesday.  
At about 6 p.m. yesterday, two Egged buses on the number 25 line were stoned on the Shuafat Road. One of the buses was slightly damaged.  
Earlier in the day, stones were thrown at Israeli cars travelling past the Abu Tor traffic circle. Police used tear gas to disperse stone-throwing demonstrators near the Shuafat mosque.  
Tear gas was also used to scatter demonstrators who closed the road at the a-Tur intersection on the Mount of Olives. An Israeli radio crew's car was stoned on Salah e-Din street.

To  
HASIA LEVIN AND FAMILY  
Our sincere condolences on the passing in the USA of your  
**Sister** ז"ל  
Colleagues from The Assoc. of Bernard van Leer  
Foundation  
Projects in Israel

**FRANCES LEWIS**  
died in Plymouth, England,  
on December 11, 1987  
Beloved mother and friend of  
Gabi and Andrea.  
She enriched the lives of  
all who knew her.

On the first anniversary of the passing of our beloved  
**Eng. ADA LUKSEMBURG** ז"ל  
a memorial service will be held on Sunday, December 20, 1987  
(29 Kislev) at 12 noon at the cemetery (new section)  
in Givat Shaul, Jerusalem. On the same day at 1:30 p.m.,  
there will be a dedication ceremony of the  
Allenby Bridge terminal in her memory.  
Aminutis will be available at 11:30 a.m. at  
32 Reh. Mitudela and at the Public Works Dept. office at  
52 Reh. Haneyim. On Tuesday, January 12, 1988 at 12 noon,  
a garden will be dedicated in her memory at the  
Barzilai Hospital, Ashdod.  
Friends and all who cherish her memory are invited  
to these ceremonies.  
The Family

With deep sorrow, we announce the untimely death of our beloved  
**SOLOMON (Solly) CHESLER**  
on December 15, 1987.  
The funeral will take place on Friday, December 18,  
at 11 a.m., at the Netanya cemetery.  
The Family

THE JEWISH AGENCY  
ISRAEL EDUCATION FUND  
TENDER No. 81/679/87  
1. THE JEWISH AGENCY (hereinafter the Agency) invites tenders from building contractors for the construction of a Prekindergarten-Nursery at Michmanim (Migav Regional Council).  
2. The projected construction is approximately 200 sq.m.  
3. Conditions of the tender as well as all other pertinent information can be obtained from Thursday, Dec. 17, 1987, from the Agency, 17 Kaplan Street, Tel Aviv, room 717 between 9:00 a.m.-12 noon, against a non-refundable payment of NIS 200.  
4. A special tour of the construction site for contractors will be held on Wednesday, December 30, 1987, departing at 11 a.m. from the Michmanim Secretariat.  
5. Bids should be submitted not later than 1:00 p.m. on Wednesday, January 13, 1988, at the address mentioned in paragraph 3 above.  
6. This tender is open only to contractors registered in accordance with the Act Regarding Registration of Contractors for the Execution of Engineering and Construction Works 1969, such contractors to abide by requirements of the act, and to be eligible to carry out the works as specified.  
7. The Agency does not undertake to accept the lowest, or any other bid.  
4671979722

THE JEWISH AGENCY  
ISRAEL EDUCATION FUND  
TENDER No. 81/680/87  
1. THE JEWISH AGENCY (hereinafter the Agency) invites tenders from building contractors for the construction of a Prekindergarten-nursery at Ramon (Migav Regional Council) sponsored by the United Israel Appeal of Canada, Inc.  
2. The projected construction is approximately 200 sq.m.  
3. Conditions of the tender as well as all other pertinent information can be obtained from Thursday, Dec. 17, 1987, from the Agency, 17 Kaplan Street, Tel Aviv, room 717 between 9:00 a.m.-12 noon, against a non-refundable payment of NIS 200.  
4. A special tour of the construction site for contractors will be held on Wednesday, December 30, 1987, departing at 12 noon from the Ramon Secretariat.  
5. Bids should be submitted not later than 1:00 p.m. on Wednesday, January 13, 1988, at the address mentioned in paragraph 3 above.  
6. This tender is open only to contractors registered in accordance with the Act Regarding Registration of Contractors for the Execution of Engineering and Construction Works 1969, such contractors to abide by requirements of the act, and to be eligible to carry out the works as specified.  
7. The Agency does not undertake to accept the lowest, or any other bid.  
4671979722



## Blizzards and tornadoes kill 61 across U.S.

NEW YORK (AP) — An intense Pacific storm brought heavy snow to the western U.S. mountains yesterday and forecasters predicted it would sweep across the nation like the storm system blamed for blizzards, tornadoes and at least 61 deaths.

"You could call it the sister of this storm," said Roy Pringle of the National Weather Service in Milwaukee. He was referring to the blizzard Tuesday that closed the nation's busiest airport in Chicago and schools in 11 states.

Wind, combined with up to 35.5 cm. of snow in the midwestern U.S. on Tuesday, snapped power lines, tore loose trees and caused wide-

spread power outages, including one that affected 170,000 Chicago-area residents.

The storm also left highways icy or snowpacked across the Plains States, and caused school closings in parts of Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Ohio, Oklahoma and Wisconsin.

Tuesday's efforts to dig out were swamped up by Don Hogg, a dispatcher for the Missouri State Highway Patrol, who said: "You might call today the big meltdown." Rising temperatures helped some, but snow-removal crews worked into the night clearing streets in Kansas City, Missouri, where drifts in some residential areas were 1-2 m. deep.



Relatives cling to each other as they view the damage in the cold light of day after a tornado roared through West Memphis, Arkansas, killing at least 12 people. (AFP)

## Ceausescu promises more meat

BUCHAREST (AP) — President Nicolae Ceausescu yesterday acknowledged difficulties in implementing Romania's centrally planned economic policy, but insisted an economic overhaul is unnecessary. He skirted mention of recent public protests over food and energy shortages, but promised more meat.

In a 40-minute speech winding up a three-day Communist Party conference, Ceausescu said the gathering had produced "hundreds of proposals" for better economic management and planning. "Resolute measures" were needed to improve these areas, he said, giving no specifics.

As usual during his public speeches, the president and party leader was wildly applauded by about 5,000 delegates and guests in the Palace of Congresses. Especially strong ovations erupted after he pledged that the average Romanian would eat 15 kilos of meat next year, the equivalent of about 290 grams a week.

Meat and milk are among the staples that have become scarce for most Romanians in recent years as the country pushes hard to pay off a foreign debt of \$5 billion to \$6 billion by boosting agricultural and industrial exports.

In addition, strict rationing of electricity and gas was decreed in early November.

No mention of alleged guerrilla successes

## Sudan says 95 rebels killed and their camps overrun

KHARTOUM (Reuters) — Sudan said its troops killed at least 95 anti-government rebels in two southern regions but made no mention of the reported guerrilla seizure of two army bases.

A military announcement broadcast on state radio said yesterday troops aided by "friendly forces" on Tuesday overran several camps belonging to the Sudan People's Liberation Army (Spla) in the Upper Nile region.

It said 95 rebels were killed, many more injured and that large quantities of arms were seized. The term "friendly forces" is used by the military to refer to the Anya-Nya 2 Militia, a force estimated at 15,000 men who fought alongside the Spla until they changed sides in 1984.

The statement said troop casualties were negligible and that three militiamen were killed and four others wounded.

In Bahr al-Ghazal region, troops dislodged rebels in several areas, including the town of Rumbek and north of Aweil, the statement said without giving casualty figures for either side.

There was no mention of Tuesday's report by the Spla that it had captured the military bases of Khar-toum-Bilel and Kashankor on Sunday. The bases are in Blue Nile province where the guerrillas have been on the offensive for more than a month.

## Priest exorcizes spirit from British trawler

BADLINGTON, England (Reuters) — British officials, investigating why the crew of a fishing trawler were regularly out of work, called in a priest to exorcise what the sailors said was a ghost on board.

The skipper said he and his four-man crew stopped sailing and started claiming state unemployment benefit because they were convinced the trawler, Pickering, was haunted.

After hearing the crew's complaints, officials called in a local Anglican priest who is also a recognized exorcist. He traced the history of the boat to Ireland where he was told a man had been lost overboard and his body never recovered.

Since the exorcism, in which the priest scattered holy water through the trawler and called on the restless spirit to depart, the skipper has reported a totally different atmosphere.

"It is a warm and friendly boat and we are having very successful catches," he said.

## IN BRIEF

A WEST GERMAN court yesterday ended the long-running prosecution of a former Nazi officer charged with the mass murder of Poles in 1941, saying he was senile and unable to defend himself. The Frankfurt state criminal court made the ruling in the case of 81-year-old Friedrich Paulus, who has been on trial five times since 1971 without result.

ROYAL MOROCCAN air force and naval units are conducting two weeks of joint military exercises with U.S. navy and marine units in Morocco and the Western Mediterranean, the Defence Department said in Washington. The routine joint air combat and amphibious war games began on December 4 and will end on December 19, the Pentagon said.

A GROUP OF eight men armed with axes released more than 20 poisonous snakes in a night club on Hong Kong's Tsim Sha Tsui tourist belt, police said yesterday. No one was injured in the incident, but it took a snake catcher more than an hour to round up the reptiles. The men were believed to be members of Hong Kong's Triad gangs, but police would not comment.

FOUR WHALES were found dead Tuesday in waters off Massachusetts' coast and a fifth was reported to have died in the area, the New England aquarium said.

## Superpowers find meeting point on C. America

WASHINGTON (Reuters) — President Reagan said on Tuesday that Soviet leader Mikhail Gorbachev told him last week he wanted the Central America peace plan to go forward and would end Soviet military aid to Nicaragua.

Reagan did not say whether Gorbachev had made his offer conditional on the U.S. ending its aid to the Nicaraguan Contra rebels and officials said Washington wanted to clarify the Soviet position.

Describing a brief exchange with Gorbachev on Nicaragua during their three-day summit, Reagan told reporters: "This is a subject we are going to be discussing for some time."

"All I know is that Gorbachev told me he wanted to go forward with the peace plan, and he would withhold aid from the Sandinistas." He reiterated that Gorbachev talked of ending "all military aid," although "he did specify there might be some small firearms, of the type police use."

Reagan made his comments at a picture-taking session in the White House amid reports of Nicaraguan plans for a massive military buildup with Soviet help.

## Iran tightens noose on Gulf shipping and hits second tanker

DUBAI (Reuters) — Iran yesterday tightened its grip on Gulf merchant shipping hitting its second tanker in two days, as Baghdad reported three fresh strikes by Iraqi jets off the Iranian coast.

Shipping sources said an Iranian frigate was causing a traffic jam at the entrance to the waterway by stopping vessels to check details of their cargo and destinations.

A military spokesman in Baghdad said Iraqi jets hit one vessel off Iran's northern Gulf coast at midnight Tuesday and two yesterday. Gulf shipping sources said the 27,244-ton Cypriot bulk-carrier Mimi M was hit in the midnight strike and there were several injuries among its Indian and Filipino crew.

A fire was extinguished and the ship sailed under its own power for the Iranian port of Bushire.

Within hours of the attack, Iranian Revolutionary Guards pumped four rocket-propelled grenades into the 29,990-ton Greek tanker World Produce, setting it afire in the southern Gulf but causing no casualties.

Shipping sources said it took three days several hours to put out the flames. They later began towing the ship, which had been a ballast en route to Bahrain, to Dubai for repairs.

The sources said three projectiles exploded in the crew quarters on the stern of the ship while the fourth hit the engine room, knocking out the propulsion system. Shipping sources also said the 102,088-ton Greek tanker Ariadne was grounded on a sandbar near where it was attacked on Tuesday by an Iranian frigate.

"It's a wreck, a complete write-off," a salvage source said of the ship, abandoned by its crew after the attack.

It was the second vessel destroyed by Iran in less than a week. The 85,129-ton Singapore naphtha carrier Norman Atlantic sank last Thursday after an Iranian attack.

At the western end of the Strait of Hormuz, ships entering the Gulf piled up as an Iranian frigate interrogated them. Ships were stopping because Iran's four frigates have shown no hesitation in blasting unarmed and unescorted vessels which refuse to answer radio interrogations.

The frigates, which are no match for major ships of Western navies deployed in the Gulf, leave vessels under military escort alone. But the Western navies — the U.S., France, Britain and Italy — only defend ships flying their national flags.

## Shultz: Moscow wants arms embargo in Gulf

LONDON (Reuters) — U.S. Secretary of State George Shultz said yesterday the Soviet Union has shown a new readiness to discuss a UN Security Council arms embargo against Iran. But he rejected a Soviet proposal to deploy a UN naval force in the Gulf.

"That's entirely premature," Shultz told a news conference at the end of a six-day tour of NATO capitals. He said the Security Council should work first on an arms embargo resolution before considering any UN naval force.

Shultz confirmed a Washington Post report that the Soviet Union wanted the U.S. and other Western governments to accept the formation of a UN-flagged naval force to back any security council arms embargo against Iran.

"I understand that in New York now there has been a readiness ex-

pressed to work on a follow-on UN resolution by which the Security Council would impose an arms embargo against Iran," Shultz said.

"The Soviets have said they want to go forward with a parallel effort at enforcement of the resolution and they seem to have in mind naval enforcement," he added.

The Security Council last July passed unanimously a resolution ordering Iran and Iraq to halt immediately the fighting in their seven-year-old war.

Iraq agreed to comply with the order but Iran has resisted, in spite of intensified diplomatic efforts by UN Secretary-General Javier Perez de Cuellar to reach an agreement.

Shultz met British Prime Minister Margaret Thatcher and Foreign Secretary Sir Geoffrey Howe yesterday for talks on the post-summit arms control agenda.

## Family members running Hart's second campaign

NASHUA, New Hampshire (AFP) — Gary Hart, the former senator who pulled out of the presidential election race following reports of his extra-marital dalliances, entered his first full day back in the campaign Wednesday the old-fashioned way — pressing the flesh.

As he shook hands with factory workers, Hart said, "I think a lot of people have been looking for a different candidacy and that's what we're trying to do."

His renewed campaign, which is being run largely by family members rather than professional campaign organizers, many of whom defected to rival candidates' campaigns following Hart's withdrawal, was buoyed by publication of an "instant" poll which showed him to be the front-runner once again for the Democratic Party presidential nomination.

The US Today/Cable News network poll of 289 registered Democrats showed that Hart was the favorite of 29 per cent, easily ahead of Massachusetts Governor Michael Dukakis with 15 per cent, the Reverend Jesse Jackson with 12 per cent, Senator Paul Simon and Representative Richard Gephardt with six per cent each, Senator Albert Gore with five per cent and former Arizona Governor Bruce Babbitt with just one per cent.

But another poll, of New Hampshire voters, showed 53 per cent felt he should not have made his comeback. New Hampshire is the first state to hold primaries. The February New Hampshire primary is often a make-or-break event for candidates. Hart's unsuccessful 1984 campaign, which he eventually lost to Walter Mondale, received a major

boost when he performed well in New Hampshire. Republicans, meanwhile, said they believed the Hart saga was likely to help them win the White House. Hart's decision is "a good Christmas present for the Republicans," said Iowa Republican chairman Michael Mahaffey. "The Democratic primary today had become a sideshow with Gary Hart as a five-legged calf and the other guys playing bit parts as clowns," added Lee Arwater, chief campaign manager for Vice President George Bush, the Republican front-runner. Hart, who has \$1.1 million in debts from an unsuccessful attempt at winning the 1984 nomination and almost no money left from his first 1988 bid, acknowledged in a television interview yesterday that it may be too late to enter the race and said he might "reassess" in two or three months.

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# 'Whitehalese'-speaking minister says time for peace talks is now

By DAVID HOROVITZ  
Jerusalem Post Correspondent  
LONDON — Behind David Mellor's affable, buck-toothed exterior lies an extremely adept politician, able to field the most challenging questions about British policy with charm, aplomb, and little in the way of substance.

One of Margaret Thatcher's favourite rising young ministers, Mellor was moved from the Home to the Foreign Office following the summer elections, and he is due in the "occupied territories" and Israel early next month to acquaint himself first-hand with his new area of responsibility.

He says that he will take advantage of the good relations between Britain and Israel to present the "candid assessment" that the time for an international conference is now, that the violence in the territories will continue so long as they are occupied, and that Israel has the most to lose by delaying a Middle East settlement.

"Surely the younger generation in the State of Israel must ask themselves what sort of basis for a secure state it is when half the population will be Arabs," he told Israeli journalists at a briefing in the Foreign Office.

Apologizing for using the old cliché yet again, Mellor asserted that there really is a "historic opportuni-

ty" for Middle East peace at present, now that Egypt is back in the Arab fold, the moderate states are more amenable, and Syria is no longer at the summit of its power.

He wouldn't provide a timetable for disaster if negotiations are not begun, but noted darkly that "most of the radical governments of 30 years ago have been replaced."

The implication was clear, but Mellor was far too astute to make any clearer.

Mellor has apparently decided that a conference is the best way forward, and it is with that firm belief that he is travelling to Israel. Yet he maintained that his mind "is never closed" and that he hopes Shamir's isn't either.

On that basis, his exchanges with the prime minister will certainly be candid, but he is likely to be rather less than productive.

Careful not to take the French, Germans or South Koreans to task over their alleged deals for the freeing of Lebanon hostages, and at pains to avoid criticizing the Americans and others for re-establishing high-level contacts with Syria, Mellor, commendably, was outspoken on one issue: human rights in the Soviet Union.

He went further than either Thatcher or his direct boss, Geoffrey Howe, in saying that there has been "no real sign of change in Sovi-

et policy," and that last January's new Soviet emigration restrictions were "based entirely on the interests of the state, not the rights of the individual." The right to lead a free religious life, and to leave the country if you so desire, "should not be a question of grace and favour."

This issue apart, Mellor stuck rigidly to "Whitehalese," never more so than on the subject of Britain's record in following up allegations of war crimes against its citizens.

He firmly rejected the idea that Britain has maintained a deliberate policy of non-pursual of alleged Nazis, and denied too that Britain was slow to act on Wiesenthal Centre information concerning numerous suspected war criminals here.

Allowing himself a rare display of passion, he declared that Britain's record in combating fascism is unequalled, and then, retreating somewhat, added that he was in no position to defend the Attlee government.

Asked why Britain had never released its files on Kurt Waldheim's wartime activities, Mellor revealed that the Ministry of Defence examined the documents extremely carefully when reports arose suggesting that Waldheim had been involved in actions against British servicemen.

"No evidence was found," said Mellor. "It would have been acted on if it had been."

# Hotelier's millions to revitalize Haifa's oldest white elephant

By YA'ACOV FRIEDLER  
Jerusalem Post Reporter

HAIFA — The city's oldest white elephant, dormant for over nine years, is about to be shaken out of its slumber which has cost the investors millions but put a lot of lawyers in the black.

The 23-storey Migdal Haime on Rehov Herzl, whose shell was completed in 1978 and has since stood pointing at the sky like an emphatic statement on what a falling-out of partners can bring about, is now to be completed by international hotelier Albert Elias.

The agreement to complete the building, signed on a piece of torn paper, marks the end of years of bitter legal battles which went all the way to the High Court and raised the morale of the lawyers involved but not of the city, whose first modern shopping centre it was to have been.

The tower will have a 100-room hotel on its 12 upper floors, above office space, a fur manufacturing and sales centre, a shopping centre and a bank. Below that, there will be a large underground parking lot and tunnel that will connect up with Rehov Arlosoroff.

The tower was built on a plot of over two dunams, originally owned

by the Twentieth Century Fox company, which bought it some 40 years ago to put up a cinema. The plan never got off the ground; in 1970, Shlomo Kuenreich, of the Kuenreich Brothers furrier firm offered to buy it from Fox.

A handshake agreement on a \$400,000 sale price sent him scurrying for partners and overnight he put together a group of Jewish furriers from Italy, the U.S. and England.

In 1976, they signed an agreement with the Mivne Peles building contractors of Haifa to build the tower (named after Kuenreich's late father, Haim) in three years, in return for part ownership. Two years later the shell was completed and the mezzanine floor was sold to Bank Leumi for over \$2 million.

Then, as the interior was to be built, the Mivne Peles partners fell out, setting off nine years of legal wrangling. In the meantime, the projected landmark became an eyesore and traffic hazard.

Kuenreich meanwhile interested Elias, who has hotels in Eilat, Jerusalem and New York, paid Peles \$600,000 for his share and is expected to invest an estimated \$3m. \$4 m. more to complete the tower.

# Education officials hope to make technology No. 1 in Israeli schools, society

By BERNARD JOSEPH  
Jerusalem Post Reporter

A plan to make science and technology the top subjects in the nation's schools is about to be launched by the Education Ministry. The aim, say officials, is to prepare pupils for life in the next century when high-tech will dominate industry and commerce.

It is intended to wipe out the stigma that many parents and teachers attach to technical and vocational schools. "The notion that a technical education is for the scholastically weaker members of society will be shown to be wrong," Education Minister Yitzhak Navon said this week.

The project is to be launched experimentally next year in 10 schools. If it is successful, it will be implemented throughout the education system within the next six years.

"When we see what is going on in this country and in the world at large, we realize that a scientific and technical education is increasingly important, even for those who are not planning to enter such fields," Navon said during a briefing for education reporters.

The hope is that eventually every pupil will study science and technology from elementary school onwards. Children straight out of kindergarten will be introduced to computers and electronics and

robots. Efforts will also be made to encourage schoolgirls to join the boys in studying such supposedly "male" subjects as engineering, metalwork and so on. Much of the project will be concerned with breaking the rigid framework that governs vocational and technical education.

Pupils will be given until their eleventh year in school to choose their final specialization, instead of having to choose in the tenth year as they do now. And the number of specializations, today a bewildering array of some 90 possibilities, will be reduced to 25, with several subjects lumped together in so-called "baskets."

Students who do well will be pushed to continue their education at university and technical colleges. And for those who do not have the potential for higher education, there will be a wider choice of studies than exist today.

Already, said Tsok, there are plans to introduce courses on communications and other new subjects.

Perhaps the biggest change in the proposed reform, said Tsok, is that it will allow pupils who find they are not fitted to the course they have chosen to change subject in mid-stream. This is not allowed under the present system and education specialists fear that much talent has been wasted as a result.

# Vienna rediscovering its Jews 50 years after the Nazi takeover

By ILONA HENRY  
Jerusalem Post Correspondent

VIENNA — How to commemorate the destruction of your national independence 50 years later is generally not an easy question. In the special case of Austria today, where discussions about the Nazi period have been a public preoccupation since March 1986, when Kurt Waldheim's wartime activities were disclosed, the situation is more than delicate.

The Austrian government has set up a special committee to deal with the "act of commemoration" and has so far decided to apply a low-key presentation. Both houses of parliament will have a joint and special session dominated by solemn addresses.

Dr. Peter Marboe, a top party manager of the Christian-Conservative OVP, who has spent 30 years in New York as a successful Austrian information officer, had a very special idea: "The whole world remembers the famous picture of the crowds hailing Hitler on the Heldenplatz in Vienna. To stress the evident difference from March 13, 1938, I suggested that many more Austrians should gather in the same place in 1988 to demonstrate in a positive way."

"We submitted my idea to Austrian ambassadors abroad for discussion. It was turned down because there were too many doubts whether the comparison between the pictures from then and now would evoke the desired effect," Marboe explains.

In the meantime, a slightly amended version was proposed by Viennese Mayor Dr. Helmut Zilk: that 65,000 torches, symbolizing the

number of deported and murdered Jews, should be lit and carried by youths throughout the city and to the infamous Heldenplatz. There the lights "should speak for themselves."

Although no decision has been taken yet on these proposals, other activities connected with the memory of the tragic events of March 1938 have been already executed or are in the making.

Two symposia to work out these plans have already taken place. One, entitled "Expelled Ratio" (*Vertriebene Vernunft*), brought back as guests former Jewish Austrians to their city of birth. But they were not anonymous; each had one thing in common — an outstanding career in his or her new home.

The list extended from Bruno Bettelheim, the renowned children's psychologist, to Viktor Weisskopf, the nuclear scientist, and included Ernest Dichter, who has been described as the "king" of advertising research, and Hermann Marks, the world famous chemist at Nasa. The widespread publicity their personal accounts of their arbitrary expulsions got in the Austrian media showed once again the tremendous loss Austria suffered through this self-inflicted brain drain.

The second symposium, organized by the Austrian Pen Club, showed the loss Austria sustained in the field of literature. Dr. Harry Zohn, the Viennese-born author and translator who is today a professor at Brandeis University, brought the works of Stephan Zweig, Arthur Schnitzler and Theodor Herzl to the American people through his authoritative translations. He was one

of the many illustrious guests at this high-level literary meeting.

A third symposium, to take place in January 1988, is being organized jointly by the American Jewish Committee and the "Politische Akademie" of the OVP Party. It has led to some tension between Rabbi Marc H. Tanenbaum of the AIC and the local Jewish community, whose leaders claim that Rabbi Tanenbaum did not inform them or coordinate the event with the OVP and made commitments they do not want to fulfil.

The Jewish leaders here see little sense in cooperating with the Austrian People's Party on this event, and cite their reasons — that the OVP was instrumental in arousing anti-Semitism to achieve the political goal of pushing Waldheim through to victory; and that the Christian-Conservative Party wants to exploit this symposium to whitewash its own image — again trying to use the Jews for its move.

Meanwhile, five books dealing with Jewish topics have been published here within the past four weeks.

Jews were never called back officially after the Holocaust; only the Communist representative on the City Council issued a plea to those forcibly exiled to return to Vienna.

The city of Vienna has organized a large exhibition at the Historical Museum in the Karlsplatz, emphasizing Jewish culture and contributions. In the city of Herzl, where he wrote the *Judenstaat* in 1896, and where Nathan Birnbaum defined the political meaning of Zionism, Jewish life, religion and history are once again being brought to light.

## Yohanan Boehm Hall dedication tomorrow

The Yohanan Boehm Hall will be dedicated tomorrow evening at the Louis and Tillie Alpert Youth Music Centre in the Hinnom Valley.

The New Jerusalem Quartet and the Municipal Youth Orchestra will perform at the ceremonies, at which

members of the Boehm family will be guests of honour.

Yohanan Boehm, who died in August 1986, was on the staff of *The Jerusalem Post* for 30 years — first as music critic and later as music editor.

## Druse educator named special adviser to Navon

A senior Druse educator has been appointed adviser for special tasks in the bureau of Education Minister Yitzhak Navon. He is Salman Falah, supervisor of Druse education in the ministry.

## CINEMA PERFORMANCES

**JERUSALEM**  
Beit Agnon: Beverly Hills Cop I, 8:30; The Mouth that Roared 8:30; Koyaanisqatsi 10; 9:45; The Stone, midnight; Close Shave, 11:15; The Never Ending Story 10; Lady Hawk 4; Peeping Toms 7; Der Blaue Engel 9:30; The Hitcher, midnight; Eden: The Skipper 4:30, 7:30; Eddie: Dirty Dancing 4:30, 7:30; The Last Days of Pompeii 7:30; Closed for renovations; Jerusalem Theatre: Manon 7, 9:30; Jean de Florette 7, 9:30; Kfir: No Way Out 4:30, 7:30; 9:15; Mitchell: Spaceballs 7, 9:15; Orly: The Last Emperor 7:30, 9:30; 11:15; Bedroom Window, Sun.-Wed. 5, 7:30, 9:30; Orly: The Revenge 4:30, 7:30, 9:15; Orly: Or 2: Beauty of Vice 4:30, 7:30, 9:15; Orly: Or 3: Act of Vengeance 4:30, 7:30, 9:15; Orly: Or 4: The Untouchables 4:30, 7:30, 9:15; Orly: Or 5: The Florida Star 4:30, 7:30, 9:15; Orly: Or 6: American Graffiti 11; Orly: Burglar 7:30, 9:30; Orly: Or 7: Orly: Or 8: Orly: Or 9: Orly: Or 10: Orly: Or 11: Orly: Or 12: Orly: Or 13: Orly: Or 14: Orly: Or 15: Orly: Or 16: Orly: Or 17: Orly: Or 18: Orly: 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## The 31st Zionist Congress



הקונגרס הציוני ה-31  
The 31st ZIONIST CONGRESS

\* FULFILLMENT \* UNITY OF THE WZO AND JEWISH AGENCY  
\* NEW OBJECTIVES FOR THE APPEALS \* A CALL TO SHAMIR  
AND PERES TO REMOVE "WHO IS A JEW" FROM THE AGENDA

### Address by Arye L. Dulzin

I stand before you both humble and moved. Ten years have passed since the Zionist Congress first bestowed upon me the responsibility of leading the Zionist movement and the Jewish Agency.

That responsibility has been great and heavy, and the Congress delegates deserve a report, which for me will also be a more personal introspection. I will also refer to the future of this movement which I have been privileged to lead for an entire decade.

There were great achievements in this period. The struggle for Soviet Jewry, the aliyah of Ethiopian Jewry, Project Renewal, the establishment of 270 new settlements. I cannot list all of the accomplishments here.

Before all else, I would like to extend a hearty welcome to the delegates. It is a great pleasure to see after so many years, an elected Congress. Elected - meaning that hundreds of thousands of Zionists throughout the world have taken part in its election. Elected - meaning that this movement is once again the movement of the people and all of its parts: a democratic movement standing proudly behind the flag of Zionism.

I see many new faces here, the faces of the young generation. For many, this is their first Congress. My first Congress was in 1951. The experience which many of you are undergoing today is one that is deeply inscribed in my heart. I was then a delegate from a small community in a distant land. I was young and excited with the privilege of being a delegate to the first Congress to convene in the Jewish state and in its capital, Jerusalem.

Ever since I was a young man, Zionism has been the driving force in my life. Before the establishment of the state, it was relatively easy to be a Zionist. Whoever yearned for a Jewish state and worked to hasten its coming was a Zionist. The debates in the Jewish world were more incisive then, but they were also simpler. The Zionists were a minority in the Jewish people, and our opponents were many. The majority of the people were indifferent. And we fought for the soul of this people. We went through hard times, but we met with success. The dream was realized, and the Jewish state was created.

#### Ingathering of the Jewish People in Its Land

After the declaration of independence, Ben-Gurion announced that the movement was a scaffold, and that the time had come to dismantle it. A very great man, and of very great stature, but his mistake was equally great. The Zionist movement was never a scaffold, but a foundation. What is the role of Zionism today? My response is clear and simple: continuing the ingathering of the Jewish people in its land. And as long as the majority of the Jewish people is not in its land, the role of Zionism has not come to an end. Moreover, another dimension has been added to this role today, and I believe in it with all my heart: the continuation of Jewish self-purification depends on the strength of that foundation called Zionism.

This year we are celebrating the nineteenth anniversary of the foundation of the Zionist movement. But it did not begin with Theodore Herzl, nor with the first Zionist Congress in Basel. Its origin goes back to the day on which the Temple was destroyed and our people were exiled from the land of its fathers.

Zionism then was expressed in prayers and longing, facing east three times a day to Jerusalem, the capital of the soul: two thousand years of passive Zionism. There were also false messiahs who sparked foreign fires, sowing deep scars in the heart of the Jewish people.

What is the essential difference between that whole lengthy period and the historic moment when the World Zionist Organization was founded? The difference is that this was the first time a movement was established that raised the banner of rebellion, and all that had been dormant and passive was transformed into action, fighting, and realization. The eyes that had always been raised toward Zion were joined by legs which carried those who had prayed to Zion.

Zionism is a foundation of Judaism, and it is the key to its continuation. This great drama, the

drama of longing for Zion and Jerusalem, has not ended, and moves between two poles. One pole is the physical return to Zion, plain and simple, the other, spiritual in essence, is the building of a model society in the land of the Jews, according to the loftiest vision of the Prophets of Israel.

If you remove either pole, the entire structure is liable to collapse. Without both, supporting and complementing one another, Judaism would become a marginal religious sect of little importance, along the lines of the *Niznei Marzi*. Therefore, Zionism is the supreme expression of hope for the Jewish people, and it is the foundation for the people's future, just as the state today is the central factor in ensuring its existence.

I will not speak of the achievements of the State of Israel in the first forty years of its existence. In my opinion - as well as that of others - this is the most dramatic and fascinating human story, not in the history of the Jewish people alone, but in the history of all mankind. I regret that in our daily life, at times mundane, we do not always see this great light. Those who experience miracles often do not perceive them. We should recall what is written in the Passover Haggadah, that every individual must see himself as if he personally had come out of Egypt. Each individual should see himself as if he personally had witnessed the rise of the State of Israel.

#### The Zionist Movement - A Historic Success Story

I came on aliyah to Israel in 1956. I remember those days and the period before them, times of the ingathering of a people that had risen from the ashes of the Holocaust, times of hundreds of thousands flowing to Israel from the countries of Islam. This population was ingathered from all parts of the world, from one hundred countries, and it spoke seventy languages. The tribes of Israel were absorbed in impossible conditions, and despite all the differences among them, they became once again what they always had been: one people.

The dormant language of the book once again became a living language spoken by everyone. Settlement spread to the north and south. New foundations were laid, and these modest beginnings were built up immeasurably in all aspects of life. Institutions of government were established in conditions of freedom and democracy. This was especially remarkable, considering that most of the new citizens of this country came from nations that had never experienced liberty and democracy. And despite all the difficulties and obstacles and bitter controversies, an exemplary democratic system of government was established.

In retrospect, I know that we have moved a long way from the excitement and enthusiasm that filled our lives in the first years of the state's independence. There are those who see the state's existence as self-evident, especially the generation of native-born Israelis. A normal country, as they would say. I must confess that I do not see things this way. Even today, I am still full of excitement when I see the ingathering of the people here and when I see the many faces of this beautiful country. And the Zionist movement is a wonderful success story.

With the establishment of the state, the movement was faced with a crisis. Most of its activities in Israel were transferred to the state. This was natural. All that was asked of it was to assist the government in consolidating and expanding what already existed. And it did this wholeheartedly and successfully. There is no national, social, or scientific institution in this country that has been built without this movement's help. There were those who thought that the government would answer all needs, including those connected with encouraging the aliyah of Diaspora Jews. But this did not happen. Those who spoke of "dismantling the scaffolding" were those who put the concept of Zionism into quotation marks, with even more far-reaching implications: not only was the concept itself surrounded by quotation marks, but the very spirit of the movement began to weaken. I know that this was not the intention, but it was the result. Of course, this debate was not the only factor leading to the current situation; there were also independent processes underway.

The state ceased attracting Jews. They saw no reason to hurry here, because the right to come on aliyah to Israel would always be

theirs. The State of Israel has lost stature over the years, and its attractive force has decreased. Its idealistic lifestyle has gradually weakened, while Zionism is first and foremost an idea. The more this idea grew weaker in the center, the influence of the periphery also decreased. Most national liberation movements, even those that have succeeded, have become fossilized - if not worse. Our liberation movement is the greatest single success story in history. But this does not mean that there are no dangers ahead. All idealistic movements are in severe decline. If we do not realize how to raise the idealistic flag once again in the spirit of the best of the tradition and values of the Zionists movement, we are liable to become bankrupt.

#### The Challenge: The Continuity of the Jewish People

Members of the Congress, the Jewish Agency was reconstituted in 1971. We established the partnership between the Zionist movement and the leaders of the appeals abroad in the wake of the natural developments following the Six Day War. The Jewish people rallied around the State of Israel in a demonstration of unprecedented unity. It is fair to say that in its great enthusiasm, both consciously and unconsciously, the Jewish people became Zionists.

This took on practical expression in the appeals. Before the Six Day War, the United Jewish Appeal and Keren Hayesod brought in between 65 and 70 million dollars annually. Following the Six Day War, these sums jumped to 340 million dollars. Beyond the importance of the figures themselves, this was an expression of love and responsibility for the State of Israel, and this is what is important. As a result of the success of the appeals, full partnership was established in the Jewish Agency.

For our partners, the so-called non-Zionists, fund-raising is a philanthropic act. However, full partnership and responsibility brought these bodies closer to Zionist activity. This feeling of closeness led to the slogan "We Are One," and this was the first time that a Zionist slogan was adopted by the appeals. Concrete expression of this closeness was made a few years ago in the Caesarea Process, in which Zionists and non-Zionists sat down together in penetrating introspection. The unanimous conclusion was reached that the Jerusalem Program, the calling card of the Zionist movement, was acceptable to the "non-Zionists" as well. This was a pleasant surprise for all of us. Several committees were established which, after a year of deliberations, arrived at two very important, even historic, conclusions: Jewish education must be Zionist, and aliyah is the obligation of each and every Jewish community.

Following the Caesarea Process, the Jewish Agency Assembly passed a festive resolution - at the initiative of the non-Zionists themselves - that we are all Zionists, and there is no place any longer for the division between Zionists and those who are not Zionists. I know that some might discount the value of this resolution. There are declarations and resolutions that have no practical application. But we cannot belittle the willingness of so many organizations to eliminate the division between Zionists and non-Zionists, or the declaration made by the non-Zionists themselves that they are in fact Zionists. I know that there are many disagreements among us, some of them justified, others merely misunderstandings. And some of them stem more from power struggles than from disputes on issues of principle or ideology. It appears that these things are natural in every human undertaking.

It was natural that, following the Caesarea Process, the Zionist movement would be faced with this question: if we are all Zionists, then what is the unique role of the Zionist movement? In order to formulate a new conception, we initiated the Herzliya Process. A think-tank was established, representing all organizations and parties. For the first time, scholars from the academic world were also invited to participate. Parallel to this commission, we established four regional commissions: in the United States, South America, Europe, and Britain. Recommendations were eventually formulated, and these were submitted to and passed by the Zionist General

Council. Foremost among them is the determination that, in view of the condition of the Jewish people, the Zionist movement must see itself not only as a movement of national liberation, but also as a movement working for the continued existence of the Jewish people. It is not enough to simply be a Jew from birth; one must want to remain Jewish. It is intolerable for Jewish children and young people not to know what it means to be Jewish. We must strive to make them want to be Jews.

The world has changed. So has the Jewish world. Today we must soberly examine the condition of the State of Israel and the Jewish people. In the Diaspora, we are now faced with a situation the likes of which we have never before experienced. The difference between the Jewish past and present is considerable, and this is not only because the Jewish state has been established. This is the first time in history that the continued existence of the Jews as Jews in all countries of the Diaspora is not self-evident.

In the past, whoever was born a Jew lived as a Jew. Of course, there were conversions, there were persecutions, but even in the most difficult periods the Jews remained Jewish. They used to say: it is hard to be a Jew, very hard, but it is good to be a Jew. This is not the case today. The complete liberty enjoyed by many Jews in the Western world is precisely what is threatening the existence of the Jews as Jews. There is assimilation, there is acculturation, there is distancing. Part of the Jewish people is abandoning Judaism, not necessarily as a demonstration of protest, but out of languor and inertia. This is the problem of a bountiful and plentiful life. It is good for the Jews. It is good for them in the State of Israel, and it is good for them in the free world.

This easy living is what interests them most of all. And this is the essential difference between the past and the present.

In the course of two thousand years, we have acquired vast and bitter experience in preserving the Jews in conditions of exile, distress, and persecution, when it was bad for them. We have no experience in preserving the Jews as Jews when it is good for them. This is the most important challenge facing us: finding ways to ensure continued Jewish existence. The supreme task of the Zionist movement is to ensure the continuation of the Jewish people. I have said this for quite some time, and I will say it again today and in the future: no Jews in the free world, except in Israel, can say with any assurance that their grandchildren, and certainly their great-grandchildren will be Jews.

#### The Magshimim Movement - Renewal of Zionist Pioneer

Dear friends, another decision stemming from the Herzliya Process was the establishment of Tnuat Hamagshimim. I am very pleased that in this Congress, for the first time, a special session will be devoted to this issue. We have united all the aliyah movements, all the youth movements - from Betar to Hashomer Hatzair - and they will make their views heard here at the Congress. Each of the movements has the same message on aliyah. This is what united the Zionist movement in the past, with all of its parts and all of the world views represented in it, and Tnuat Hamagshimim will emphasize this unity even more vigorously. I place great hopes in Tnuat Hamagshimim, because it is likely to be the nucleus - hard, inciting, and agitating - within the Zionist movement. I see its establishment as a step in the renewal of the pioneering of the early days of the Zionist movement.

As a result of the Herzliya Process, we have opened the gates wide for the entry of organizations which in the past had only been affiliated to the Zionist movement and now enjoy full rights and responsibilities. Elections have been held, and two large and important organizations, the Reform and Conservative movements, took part in them. Dear friends, permit me to congratulate these two movements, both for the challenge which they have met and for their success. Since the affiliation of the international organizations of the Orthodox, Reform, and Conservative movements, the pluralism in the Zionist movement has begun to fully express the reality of the Jewish people today. Herein lie both greatness and power.

And in this connection, I call upon the Prime Minister and head of the Likud, Mr. Yitzhak Shamir, and to the Vice Prime Minister and head of the Labor party, Mr. Shimon Peres: reach and understand, and make an agreement before the elections to the next Knesset that the issue of the Law of Return, the issue of who is a Jew, will not be discussed. We must not take a political step inside Israel that would affect the entire Jewish people.

I was privileged to be a member of the Cabinet when the existing Law of Return was passed, and I can tell you - as I was a witness to it - that this law had only one purpose: to enable the humane return of immigrants in mixed families. When aliyah from the Soviet Union began, and the aliyah of tens of thousands was expected, it was decided to change the Law of Return to enable mixed couples to come to Israel with equal status, previously, in dozens of cases, conversions were arranged in Vienna. The law of Return was intended to ensure that in the future as well equal rights would be given even if one spouse is not Jewish. This was the intention of the legislator, and this was the unanimous decision of the national unity government of 1973.

Even the National Religious party supported the law wholeheartedly, and I say this in its praise. There is no reason to change the status quo, and it would be advisable to remove this subject from the agenda. Such problems should be the issue of clarification and discussion, but not legislation. I am happy to hear that there are people in both large parties who understand this. And I call upon all parties in Israel, especially the Alignment, the Likud, and the NRP, not to lend a hand to the claims and acts of the ultra-orthodox anti-Zionist groups pressuring the state to take action which would lead to a split in the Jewish people.

#### Israel as a Cultural Center of the Jewish People

Dear friends, the Herzliya Process, in the section on positive *mitzvot*, reemphasized that aliyah is of the essence. Now that the heads of the appeals have accepted the responsibility of the community, the Zionists must see aliyah and the self-fulfillment of the individual Zionist and his family as an objective. In the light of this situation, what must we do for the future? What is our role? At the Jewish Agency Assembly, I brought up for the first time the idea that, with the acceptance of the Jerusalem Program by the non-Zionists, the time has come to unite the leaders of the Jewish communities in the world with the World Zionist Organization in one body. The same objectives are shared by all, so all implementation, too, must be shared. I know that this is not something that can be done overnight, and it will require a fundamental examination. I submit the idea for your consideration and deliberation.

In my opinion, there is a need to reexamine the objectives of the Jewish Agency and the World Zionist Organization. We must define what the role of these organizations will be in the future, and I want to outline the direction in which we must go. In the first days of the State of Israel, the appeals were intended to save Jews. They were a decisive factor in the aliyah of hundreds of thousands from distressed countries. In a later stage, the appeals dealt mostly with absorption. Their slogan was "aid to needy Jews in the State of Israel," and indeed, we established settlements, developed the settlement system, and were partners in the establishment of development towns, just as we are partners today in Project Renewal.

We all know that there are still needy Jews in the State of Israel. Nonetheless, the State of Israel is no longer a country of distress. The proportion of needy people in the State does not exceed those of the developed countries, including the United States. No child in the State of Israel goes hungry. No child in Israel goes barefoot. No child goes without schooling. And we can take pride in this: we have succeeded in overcoming distress.

There is a certain problem in the image of the State of Israel as portrayed by the appeals, as if it were a country in need of aid instead of a country where one can live in comfort. To a certain extent, this image curtails aliyah, and such slogans should no longer be employed. The appeals should move to a new stage of activity: support and responsibility for education, culture, the arts, science, and research. Thus, they will aid in the transformation of the State of Israel into a society of scientific, technological, and moral excellence, because only thanks to them will Israel be able to really become the spiritual and cultural center of the Jewish people, both in theory and in practice.

We have in Israel all the ingredients necessary to become a scientific and spiritual center, among the best and most important in the world. The key to this lies in the universities, in the centers of research and learning. But these, to our regret, are in serious trouble today. This situation must be changed, and it must be changed quickly.

Most young Jews in the world study in universities, and the number of Jewish professors, scientists, and researchers is large, not only in the free world, but also in the Soviet Union. We must expand the infrastructure for their professional absorption. One of the tasks which we must take upon ourselves today is to see the development, growth, and expansion of the universities as a high priority. Only this will give us a chance to achieve our goal: constituting a spiritual-cultural center for the Jewish people.

There are some 500,000 Jewish students in the free world today, and some 50,000 Jewish professors. These represent great and vast resources of knowledge and culture. Why shouldn't at least 20 percent of these Jewish students study in Israeli universities? Perhaps special universities or academic departments with instruction in the more common languages should be established in Israel.

A task no less important is working with Jewish youth of high school age. We will certainly be unable to cope with this problem in terms of numbers, but we have the ability to deal with it qualitatively. We must establish unique high school programs in Israel, institutions that would provide the Jewish students who would come from all over with the highest level of education and learning in the world. There are plenty of examples of this throughout the world. If we do this, we can, over time, educate an elite of the Jewish people: a scientific, cultural, and - first and foremost - moral and Zionist elite. Unless we start working practically in this tremendous mission, all our talk about a model society will be empty words.

Currently, we bring about 15,000 young people on various programs for periods of between two weeks and a year. Of these, some remain in Israel, while those who return to their communities are able ambassadors for the State of Israel. They will constitute the source of aliyah in coming years. Surveys conducted recently show that it would be possible to bring at least 100,000 young people annually. This is realistic. But the effort will require massive funds. Therefore, I propose that the issue of absorption be transferred to the government as a first stage, and that the funds available be used to bring more youth and students to Israel.

The situation in absorption is difficult. Bureaucracy and duplication hurt olim. The Horev commission asked that we establish a joint authority of the government and the Jewish Agency. The executive and I personally supported this wholeheartedly. To my regret, this idea has not been implemented. The current situation cannot continue. I have therefore reached the conclusion that only one agency must be responsible for the absorption of immigrants. We must put an end to the deplorable situation in which the Ministry of Absorption and the Ministry of the Interior, with the immigrant paying the price.

The Jewish Agency and the World Zionist Organization will continue to work in the promotion of aliyah, in aliyah itself, and in bringing youth to the State of Israel. This, too, must be one of the objectives of the appeals. If tens of thousands of students come, and if aliyah is encouraged from the free world, the relationship between the State of Israel and the Diaspora will be strengthened and Jewish awareness within the communities themselves will be deepened. Such activities on the part of the appeals will help the Jewish people maintain its existence. I know that it is not a simple matter to transfer functions from the Jewish Agency to the govern-

ment. The transfer must be done in stages. But deliberations and decision-making on it must be done here and now.

Emphasizing our work for the survival of the Jewish people must be the message of this Congress, for we are one people with a shared fate, both here in the State of Israel, the center of the Jewish people, and throughout the world.

#### SOVIET JEWS SHOULD COME TO ISRAEL

Today, as the 31st Congress opens, the eyes of the entire world are on Washington, where the summit meeting between the President of the United States and the leader of the Soviet Union is taking place. We call upon President Reagan to insist that the Jewish issue be on the agenda and be discussed in the summit talks. And to the leader of the Soviet Union we say: the entire world is waiting for the policy of *glasnost* to produce concrete, long-term results. We have no doubt that the Jewish issue is a test of the substance of the changes taking place in your country.

From this podium, we call upon the leaders of the great powers to regard the Jewish issue as a central issue in their talks. Tens and hundreds of thousands of Jews in the Soviet Union are entitled to expect that their national aspirations be honored. Those who want to come on aliyah should be given the right to do so. Those who want to remain there have the right to live as Jews, with their government honoring their right to identify with their Jewishness and allowing them to express it in their own language, as well as maintain their own cultural and religious life. It is intolerable that the Hebrew language is considered illegal in the USSR. It is beyond reason, and we must fight for the legitimization of the Hebrew language in the USSR.

We extend heartfelt greetings to the Jews of the Soviet Union. More than one-quarter million Jews have left the USSR in recent years, and two thirds of them have come on aliyah to the State of Israel. Clearly, it is the State of Israel that is the primary factor in the Jewish and Zionist awakening in the Soviet Union. We to us, and even more so to Soviet Jewry, if the State of Israel had not been established.

The Jews of the Soviet Union leave with visas to Israel, and they are obligated to come here. It is their responsibility, both formally and morally. A visa to Israel is not just a piece of paper, a fiction that can be taken lightly. This visa says that you are coming on aliyah to Zion. No one is forcing that Jews of the Soviet Union to apply for and accept Israeli visas, but whoever receives one must see it as a two-sided obligation: it is the obligation of the state to receive him and absorb him, and it is his obligation to come here. Whoever is indifferent to the moral aspect of the issue and there are those who are, and I do not refer only to the *neshirim* themselves - does not understand the depth of the insult in such an act. Moreover, we can in no way accept that Jews leaving the Soviet Union define themselves as refugees. Everyone is free to choose not to live in Israel, but members of a people that has a state welcoming it with open arms cannot be considered refugees.

The Jews of the Soviet Union have been absorbed successfully in Israel. We will not rest until all those who want to be allowed to come, and we will welcome them with open arms and open hearts. It is our firm hope that, in the wake of those who have already come to Israel, hundreds of thousands more will come. The struggle for this will be long and hard, but we will win.

In the past 20 years, we have absorbed more than half a million Jews, including olim from the Soviet Union and Ethiopia. Today, these are the two Diaspora communities that symbolize the struggle for the Zionist idea and the recognition that there is no alternative to the Zionist solution. The Jews of the Soviet Union came because the October revolution, which claimed to solve the Jewish problem, also proved-as will any other such revolution-not to offer any humane solution to the Jewish problem. There is only one solution: in Eretz Israel, and the aliyah of Ethiopian Jewry has proved that the light of Zionism reaches even the most remote places. This light will also reach the isolated Jewish communities of Syria, Iran, and Yemen. All these show, more than anything else, the greatness of

the Zionist revolution and the idea of the ingathering of exiles. This is a most unique story in the history of mankind. It is wonderful, beautiful, and unsurpassed.

#### SAFEGUARDING THE UNITY OF ZIONISM AND THE UNITY OF THE JEWISH PEOPLE

In conclusion, I would like to thank the Zionist movement for the full confidence I have enjoyed from all its parts. This year we are celebrating the nineteenth anniversary of the first Zionist Congress, the fortieth anniversary of Israel's independence, and the twentieth anniversary of Jerusalem's reunification. Ever since Jerusalem's reunification 20 years ago, I have been privileged to be at the center of decision-making and activity in the Zionist movement and the Jewish Agency, as Treasurer and Chairman. Over these years, I have strived to deal responsibly, faithfully, and objectively with all. I viewed myself as a representative of the whole. Today, renewal is a necessity, not only in the movement, but in the state itself. Perhaps the Zionist movement has not succeeded enough in influencing Jews to come on aliyah. But isn't the state also responsible for this situation? Isn't the yerida of young people from Israel a painful failure?

In order to change things, it is not sufficient to deflect responsibility to others. There is a need for changes in values throughout the system, both in the Zionist movement and in the state. This is not beyond our ability, even though it will not be simple. Nothing is simple in a democratic society, especially in a body in which the entire political spectrum of the state and the Jewish people is represented. If we want to survive, we must overcome our tendency to divide the responsibilities within the Jewish Agency and the World Zionist Organization. We must strive for the streamlining of activity required by the changes that have taken place in Israel and in the world.

This can only be done if the national leadership at all levels and components recognizes this need and lends its support. And unless we strive to truly become a model society, we will have no chance to once again become an attractive force for the best of Jewish youth in the world.

It has been rightfully said that the State of Israel is a bridgehead, not an end unto itself. Aliyah was and is the central problem of our movement. Every Zionist can recall Weizmann's cry: "Where is the People of Israel?" and who among us does not remember Levi Eshkol's fear that our history would come to an end if our generation had established a state but lost a people? And if, at the first Congress, Herzl said that "the organization is a proof of movement and understanding, what we need today is to transform the World Zionist Organization into a movement. And the movement means an idea. Only through education and this idea can we strengthen our children here and bring young Jews from all over the world to Israel."

This will require changes in values, both in the Diaspora and in Israel. Without these, all our calls will be in vain. Worldwide Jewish solidarity has until now faced the test in the most wonderful way. The test before us now is to transform this solidarity into an interlocking network, connecting the heart of the Jewish people with the rest of its body. It is my hope that this Congress will be a Congress of one heart and constitute a real connection of the people with its land.

To the new Chairman and Executive: you are being given the leadership of the Zionist movement in this Congress. I believe that the Zionist movement is the lifeline of the Jewish people and the State of Israel. The tasks are many, and the responsibility is great. Nonetheless, I have a special request: preserve the unity of the Zionist movement and the unity of the Jewish people has suffered internal divisions that brought terrible tragedies upon it. The Zionist movement must serve as a model for the State of Israel and the Jewish people of the ability to live together honorably, in understanding, and in cooperation.

I wish this Congress success in its deliberations. Let this Congress be a symbol of our enterprise and an example of our unity, the last unity of the Jewish people and its state.

Jerusalem, Binayani Ha'Ozma 15 Kiklev 5748-December 6, 1987



# 'Now may be the time to re-establish arms links of Israel, France'

By KEN SCHACHTER  
For The Jerusalem Post  
HERZLIYA PITUAH — Conditions are ripening for Israel's arms industries to re-establish links with France after two decades, Admiral Rene Bloch, former director of international affairs for the French Ministry of Defence, said this week.

Bloch, a seminal figure in the development of France's aerospace industry, said at a conference here on international joint ventures that any rapprochement would have to be done discreetly and "on a case-by-case basis." But "with the opening toward NATO, I think there's hope for Israel's defence establishment to reopen certain relationships."

On Monday, the U.S. granted Israel nearly equal status with NATO allies in bidding on U.S. defence contracts.

Although the U.S. has enormous financial clout and has taken the "unprecedented step" of acknowledging Israel as a strategic asset, Bloch said Israel's dependence on the U.S. had a negative side, as well.

"In any relationship with America, there are many strings attached, technically, financially, in exports," he said. "If one wants to live with America, then one has to live with it, which means the [decision to cancel the] Lavi."

U.S. pressure exerted on Israel to scuttle the project could have a lingering effect, said Bloch, currently senior adviser to the chief executive officers of such U.S. companies as United Technologies.

France, once Israel's staunchest ally and primary weapons supplier, closed the arms pipeline within days of the start of the Six Day War in 1967. Since then, France has become a major source of weapons for the Arab world and, in particular, Iraq.

Indeed, Arab economic leverage, as well as the oil weapon, are thought to pose major hurdles in reviving military cooperation between Israel and European nations.

"But if the Americans aren't afraid of the Arab boycott, why should the Europeans be?" Bloch asked.

## Kessar defends role of Histadrut as employer

By KEN SCHACHTER  
For The Jerusalem Post  
HERZLIYA PITUAH — There's no inherent contradiction between the Histadrut's role as both union and employer, Histadrut Secretary-General Yisrael Kessar declared at a labour convention Monday.

Speaking at the Second European Regional Congress on Industrial Relations, Kessar dismissed a questioner's suggestion of mandated separation between union and management, likening it to trying to legislate relations between husbands and wives.

"What do you do with cooperatives or kibbutzim?" Kessar asked. The Histadrut, through its Hevrat Ha'ovdim holding company, controls some of Israel's largest companies.

Dov Lautman, president of the Manufacturers Association, who appeared at the same symposium, said that although inflation had been contained, government, labour and management still have failed to de-

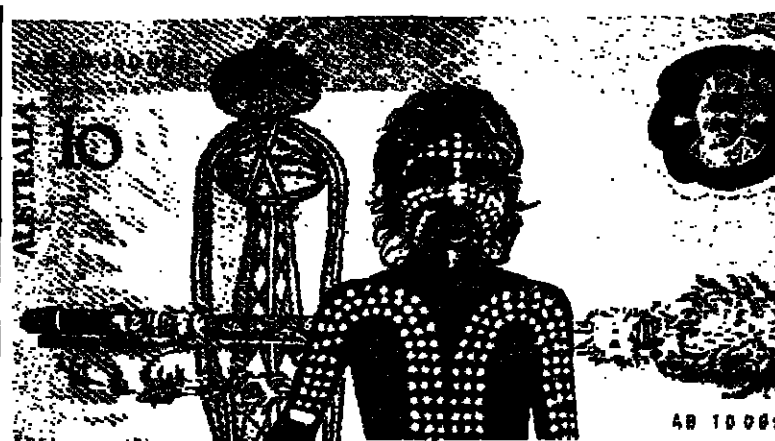
fine Israel's long-term economic goals.

"A tripartite effort is required," Kessar was combative in chiding the government for taking full credit for the two-and-a-half-year-old economic reforms that have stabilized the economy.

"It should be mentioned that employees also were involved in the negotiations," he said. Neither Kessar nor Lautman clearly embraced a devaluation, with Kessar flatly saying that it was unnecessary and Lautman questioning whether it would "shock" the economy.

**THE ISRAELI ACCOUNTANTS** Bureau is inviting the public to join a discussion on a proposal to link financial data in company reports to the exchange rate instead of the Consumer Price Index.

The discussion is in response to a proposal that financial reports be adjusted to the exchange rate only under special circumstances.



The new 10 Australian dollar banknote released this week by the Reserve Bank of Australia commemorates the country's 200th anniversary of white settlement. The top right corner of the bill contains a plastic optically variable "rainbow" image of Captain Cook, which changes colours when viewed from different angles, making the bill impossible to reproduce. This is said to be the first use of such anti-counterfeiting technology. (AFP)

## BUSINESS BRIEFS

### Kibbutz opens plant for pre-fab panels

Kibbutz Sha'alvim in Emek Ayalon last month opened a \$2 million factory, operating under the name Mivned Co., to produce pre-fabricated insulated panels.

The panels, which are used for building walls, partitions and roofs in large structures such as sports centres and industrial buildings, will be manufactured under a process developed in Italy. Marketing Manager Moshe Oren said he forecast sales in the coming year to reach \$3m. Mivned has built 27 structures in Israel using the panels.

### Clothing exports

Israel's rag trade is expected to show a 25 per cent increase in exports for this year, with sales approaching \$400 million. Around 67 per cent of the exports went to the European market.

Industry and Trade Ministry officials said yesterday that this export boom marked the second year of a recovery that began after a five-year slump in the industry.

Investment in the garment industry has at the same time increased nearly 32 per cent largely due to the free-trade agreement with the U.S., which has enhanced Israel's competitiveness as a producer. But the officials pointed out that the profitability of exports to the dollar bloc were disappointing in light of the expectations surrounding the free-trade agreement.

Because of the dollar's drastic decline, exporters who bought their raw materials in European currency but sold to the dollar market suffered a sharp drop in their profitability.

### Nikuv acquisition

Nikuv Computers Ltd. said this week it had acquired 12,000 shares and 16,000 series one options in Data Automation Ltd., a concern that provides data processing services, develops software and markets Perkin Elmer Computers.

The NIS 854,000 share acquisition, made through a public offering, gives Nikuv a 20.5 per cent stake in Data Automation.

"Data Automation's sales base is built on long-term contracts," a Nikuv spokesman said in a statement.

"The market value of the company had eroded recently by about 30 per cent and the price we could offer for the shares was relatively low and attractive compared to other companies in the sector."

### Ad competition

A yearly competition among professional advertisers will be launched next year, the Association of Advertisers in Israel has announced.

Entrants will compete in the various categories of radio, print, cinema and TV advertising. The contest, to be held under the auspices of the International Association of Advertisers, will be named after Yohanan Goldberg Kidon, a long-time Israeli advertising executive. The deadline for entry is Jan. 31 and winners will be eligible to participate in New York advertising festivals.

## THE TAX BURDEN/Jeff Broide

### Some recent rulings

Activation of bank guarantee may constitute capital loss

An interesting ruling was recently given in the Supreme Court, under which a taxpayer who had guaranteed the debts of the company, and thereafter such guarantee had been activated, was permitted to set off such amount as a capital loss against capital gains arising from other sources.

The taxpayer was a director and shareholder of the company and had given loans to the company (as shareholder) and had personally guaranteed various loans received by the company. When the company failed to meet its debts on these loans, the guarantees were exercised and the monies taken accordingly from the taxpayer.

As the company was in the process of dissolution, the shareholder was unable to obtain an indemnity for these amounts paid.

Whilst the assessing officer recognized the amounts invested in the company as a capital loss, he refused to acknowledge that the amounts "lost" as a result of the guarantee could be set off against any capital gains. As stated, the High Court accepted the view of the taxpayer and held that a capital loss is such that were it a capital gain the taxpayer would be liable to capital gains tax thereon in terms of the Income Tax Ordinance.

In fact, the presiding judge held that the guarantor has a right to claim these amounts back from the debtor (in this case the company) but that this is, in fact, the right of the original creditor who gave rise to the activation of the guarantee.

The judge held that a loan by its very nature may result in a capital gain and, therefore, similarly, the right of the guarantor must be recognized which, in effect, resulted from the claim of the creditor vis-a-vis the loan (that is the lender).

This position remains unchanged even where the company is in dissolution. Therefore, the court ruled that the loss resulting from this guarantee does, in fact, constitute a capital loss and may be settled against other capital gains.

**1987 INCOME TAX TABLES**  
Individual Income Tax Rates For The Year

Annual Income	Accumulated Annual Income	Rate of Income Tax	Payable	Accumulated Income Tax
NIS	NIS	%	NIS	NIS
Up to 8,280	8,280	20	1,656	1,656
next 2,246	10,526	25	733	2,389
next 4,424	14,950	31.25	947	3,336
next 3,032	17,982	35	1,063	4,399
next 4,890	22,872	37.5	1,830	6,229
next 2,200	25,072	45	990	7,219
next 10,800	35,872	46.5	5,095	12,314
next 1,932	37,804	48.75	932	13,246
next 49,088	86,892	51	25,035	38,281
exceeding 91,120		54.6		

Tax to be calculated on taxable income (i.e. income after deduction of allowable expenses). Tax credits (below) to be set off against income tax due.

### TAX CREDITS

One tax credit is worth NIS 504 for the year.

	NIS
Resident - 21/4	1,134
Non-working spouse - 1	504
Wife assisting husband - 1 1/2	756
Working mother, with 2 children - 4 1/4	2,142
Working mother, with 3 children - 5 1/4	2,646
Working mother, with 4 children - 6 1/4	3,150
The tax credit and deduction for pension and provident fund contributions is based on a maximum income of	26,700

(7% credit, or even 12% on proper pensions for self-employed, 5% deduction for employee, 25% credit on life premiums and so on. These are subject to various restrictions and are calculated on the taxpayer's taxable income, but not exceeding the maximum limit.)

The writer is a certified Public Accountant (Israel). Questions on tax matters may be addressed to him c/o The Jerusalem Post.

## Jordanian carrier plans Miami route

AMMAN (AP) — The chairman of the Royal Jordanian Airlines said Monday the state-run company expects to turn a \$5.1 million profit for 1987, and plans new routes soon to Miami and Montreal.

Ali Ghandour told a news conference that the earnings came on expected revenues of \$366 million. Final figures are generally released in June.

Passenger traffic increased about 8 per cent over 1986, reaching 1.2 million, with the largest growth — of 12 per cent — on the airline's flights to North America, where it serves New York, Chicago and Los Angeles.

Ghandour said Royal Jordanian expected to start serving Miami by April, and to Montreal at an undisclosed point.

The airline, which changed its name from Alia at the start of 1987,

is gradually selling shares to the public and its employees, and has been reducing its debt by selling its planes and leasing them back.

Ghandour said the airline gained from the declining dollar because all of its debt is denominated in the American currency. He also predicted that the new, lower air fare regime in Europe will increase passenger traffic enough to overcome reduced per-seat revenues.

Ghandour, a close associate of King Hussein, praised the wave of deregulation and privatization sweeping the U.S. and Europe, calling for greater regionalism in international air traffic.

He said, "A European air market is envisioned by 1992 and we, the Arab nations, are left behind to reel under a protectionist and restrictive aviation environment that does no one any good."

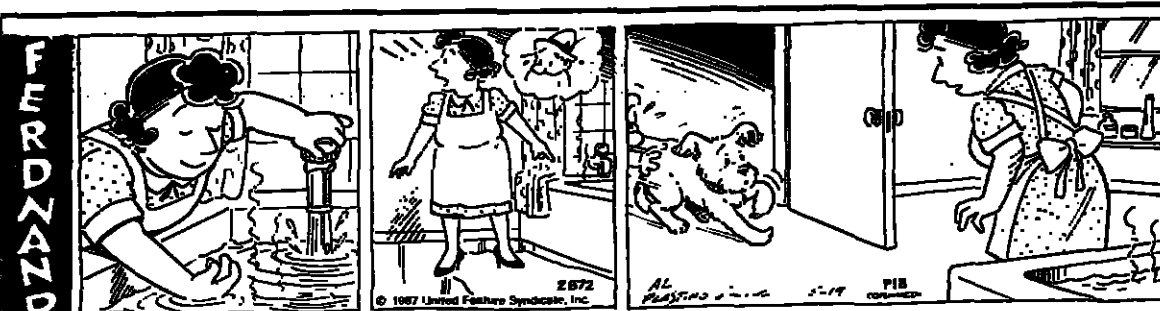
## Law may let wives open tax files

By AVI TEMKIN  
Post Economic Reporter  
Married women may be soon able to open their own income tax files, separate from their husbands'.

The Knesset Finance Committee yesterday approved for first reading a private bill tabled by MK Sara Doron (Likud) and Chaim Grossman (Mapam) which enables married women to open separate income tax files.

staunchly opposed by the income tax authorities. They claimed that the proposed arrangement will require special arrangements, since the income tax administration is now geared for the proposed change.

The Knesset plenum is likely to approve the bill in its first reading, but Doron feared the Knesset Finance Committee may still raise obstacles in the bill's way to second reading.



## CROSSWORD

**ACROSS**  
1 & 3 Beguiled as Maud may have been (3,2,3,4,4)

9 Where public transport is brought to a halt (3,4)

10 Swordsman who thrusts lower (7)

11 Thrilling, nothing; just a little flower (4)

12 Come to rely on boy streets away (3,5,2)

14 Written in memo: "Use rodent exterminator" (6)

15 Being overtaken again and made a meal of it, one hears (8)

17 It doesn't include food served on trains, however (4,4)

18 He's in order giving a Farrar hero about fifty start (6)

21 Study variant's change from one condition to another (10)

22 Obstinate type going on foot (4)

24 Spot-on feature (7)

25 Suffering of chaps in the wrong (7)

26 23 members with the right time? (9,5)

**DOWN**  
1 Lily supporting party banner (7)

2 Sad realisation of having been 1 across and 3 (15)

3 See 1 across

4 One who jumps a vessel (6)

5 Better from Maesteg, right? (8)

6 One Tory Allan treated in a reasonable way (10)

7 Kind of debate on which parties will never agree (7,8)

8 Sounded like a Donkey Derby—a possibility! (6)

13 Looking for advancement is his number one priority (4-6)

16 Thrive on nothing as Ariel's master (8)

17 Free translation about one in a Brazilian state capital (6)

19 Animal said to break all the rules (7)

20 Piece of artillery for a pound (6)

23 Bragged about manners on board (4)

### Yesterday's Solutions

**TESTMATCH**  
RUBBERSTAMPED  
C A E U O R  
N E R S E T R U C E  
V I T S T A R K R O  
I G U A N A G A V E N U E  
C M C R O N Y I N  
D E T A C H R A L L O U T  
U W E D I A S T A I R  
Y O E R S I R Y  
P R O C R A S T I N A T E  
Y O G E R U H  
F R E E H O U S E

**QUICK SOLUTION**  
ACROSS: 7 Whimsey, 8 Calais, 10 Lowbrow, 11 Noble, 12 Over, 13 In-law, 17 Hardy, 18 Fair, 22 Livid, 23 Offhand, 24 Stroke, 25 Hectic.  
DOWN: 1 Swallow, 2 Midweek, 3 Usurp, 4 Gainsay, 5 Tabby, 6 Askew, 9 Swing-door, 14 Vandyske, 15 Canasta, 16 Predict, 19 Close, 20 Avert, 21 After.

## QUICK CROSSWORD

**ACROSS**  
1 Narrow channel (6)  
4 Pen (5)  
8 Bird of prey (5)  
9 Difficulty (7)  
10 Offender (7)  
11 Portent (4)  
12 Dava river (3)  
14 Operatic song (4)  
15 Soap-bubbles (4)  
18 Hawthorn (3)  
21 Italian capital (4)  
23 Act (7)  
25 Hairy (7)  
26 Sugary (5)  
27 Reside (5)  
28 Farce (6)

**DOWN**  
1 Rough design (5)  
2 Habitual (7)  
3 Frozen sweet (3,5)  
4 Timber (4)  
5 Museum religion (5)  
6 Animal fur (6)  
7 Sudden flood (5)  
13 Strong coffee (6)  
15 Bishop's see (7)  
17 Exotic flower (6)  
19 Belgian town (5)  
20 Forge (5)  
22 Code (5)  
24 Replete (4)

## TEL AVIV UNIVERSITY

### Inauguration of the Bernard and Audre Rapoport Chair in the History of the American Labor Movement

Lecture:  
**Dr. ARNON GUTTFELD**  
Department of History  
100 Years of American Organized Labor  
from Ostacism to Partnership  
Monday, 21 December, 1987, at 1:00 p.m.  
at the Jonas and Blanche Feiner Hall, Sharet Bldg.  
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Entrance by invitation only

## THE UNIVERSITY OF HAIFA

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by Hemda Arad  
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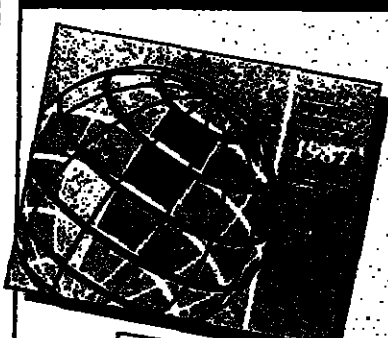
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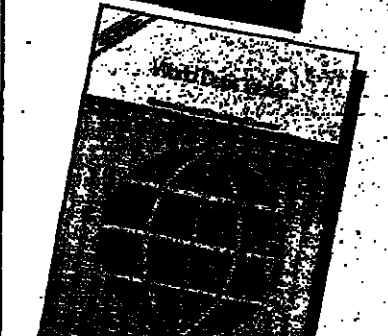
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## Refuses rush order

## Europe Parliament delays pact

STRASBOURG (Reuters) — The European Parliament yesterday refused a request from the European Commission to rush through a trade agreement with Israel in time for the lucrative Christmas season.

The 12 EC ministers signed the accord two days ago, but the parliament decided there was no time to include it on yesterday's agenda. Although the commission's approval of the accord had been held up by disagreement on the status of West Bank and Gaza exports to the trade bloc, parliamentary officials insisted yesterday there were no political reasons for deciding against rushing through the accord with Israel.

Under its new powers, the parliament must have a majority of all members, present or absent, to approve any change in EC relations with non-member states.

Although the protocol with Israel will have to wait, the European Parliament did approve agreements yesterday giving financial aid to Tunisia, Algeria, Lebanon, Egypt and Jordan as well as a trade and finance agreement with Yugoslavia and a trade accord with Cyprus. Approval of the accord with Israel will now be

put on the parliament's agenda for January.

On Tuesday, however, it had voted in an unprecedented move to delay a trade accord with Turkey in what some deputies said was a protest against the arrest of two communist leaders.

Israel's agricultural trade protocol with the EC, signed with the Executive Commission on Tuesday, gives greater access to EC markets and lowers tariffs. The accord was delayed in the commission when Britain and Greece unofficially linked it to conclusion of an agreement covering exports from the territories.

## InterPharm to acquire 100% of Inter-Yeda

Jerusalem Post Staff  
InterPharm Laboratories Ltd., which already owns 60 per cent of Inter-Yeda Ltd., said yesterday that it planned to buy the remaining 40 per cent.

The price Interpharm paid in buying the shares from Yeda Ltd., the Weizmann Institute's commercial arm, was not disclosed.

Inter-Yeda, created in 1981 as a joint venture between InterPharm and the Weizmann Institute, is forecast to have 1987 sales of about \$6 million, primarily derived from sales of beta and native interferon. InterPharm, whose main products are

human growth hormones and some monoclonal antibodies, has projected sales this year of \$6.4m.

InterPharm president and chief executive officer Ehud Geller said the acquisition would help the company speed products now under development at Inter-Yeda to market.

"The agreement will give InterPharm more flexibility to develop more quickly a large portfolio of products and projects currently held by Inter-Yeda," he said.

InterPharm is a subsidiary of the Ares-Serono Group, an international pharmaceutical company with sales of about \$227m. in 1986.

## Pri Ze workers occupy factory

TEL AVIV — Some 120 workers barricaded themselves in the Pri Ze Ltd. fruit processing plant in Hadera yesterday after receiving dismissal notices from the bankrupt factory's liquidator, Tel Aviv lawyer Lipa Meir.

The workers, who received their last salary cheques, are facing an uncertain future as Meir weighs offers to buy the plant instead of simply winding it up. The workers are planning demonstrations in a last-ditch effort to save their jobs.

Industrialist Ya'acov Chesliah has made a bid of \$2.1 million plus rental fees for two years.

## Leumi resumes normal activities after lockout

Post Economic Staff  
Bank Leumi expects to be back to normal today, after the two-day lockout earlier in the week.

Yesterday the bank's staff set to work clearing the backlog that had built up, including standing orders, tax payments due on the 10th of the month and regular cheque-clearing operations.

The bank's automated tellers should also be back in action at its branches today, allowing customers to get up-to-date balances and statements on their accounts.

There is considerable speculation in financial circles in Tel Aviv regarding the damage the bank will suffer as a result of the recent work disturbances. Many personal and corporate customers are thought likely to open "reserve" accounts in other banks, although whether they will transfer business to them remains to be seen.

Meanwhile, negotiations between Leumi management and staff over the unsigned wage agreement left hanging last week are expected to start up again within a few days — "after things have cooled down a bit," as one Leumi executive noted last night.

Leumi Staff Committee Chairman Louis Roth told Israel Radio yesterday that he did not regard himself as bound by the pledges made by the Histadrut to the Tel Aviv District Labour Court on Tuesday. Judge David Mordechai his order instructing management to re-open the bank on the assumption that the Histadrut's undertakings were binding on the staff committees, since the trade union organization had represented them before the court. The labour federation had promised the staff committees would not disrupt bank activities any longer.

## Investment down in quarter

Investment in fixed assets edged down 2 per cent in the third quarter of the year compared with the previous three-month period, the Central Bureau of Statistics said yesterday. Nevertheless the level of investment for July-September was still 9 per cent higher than in the same period last year.

The bureau said investment in residential building, which forms 23

per cent of all investment in fixed assets, rose 3 per cent in the third quarter and was 9 per cent higher than in the third quarter of 1986.

Investment in other sectors, however, was down 3 per cent in the third quarter of the year from the previous three months. Nevertheless, the level of these investments was still 10 per cent higher than it had been in July-September 1986.

## Liquidity rules altered

BY AVI TEMKIN  
Post Economic Reporter

The Bank of Israel plans to introduce further changes in the liquidity regulations it introduced last month for the commercial banks.

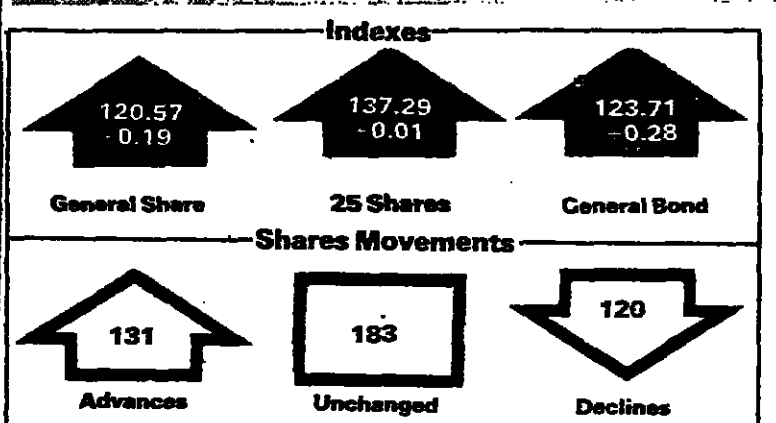
Starting January 6, the commercial banks will be able to borrow up to NIS 360 million from the central bank at an annual interest rate of 20 per cent and will be able to borrow an additional NIS 270m. at 35 per cent, the Bank of Israel said yesterday. Any further sums needed by the commercial banks beyond those needed to cover their liquidity requirements will be available at a penalty rate of 50 per cent.

When the new liquidity regulations were introduced at the end of

November the commercial banks were able to get up NIS 360m. at a rate of interest of 20 per cent, with sums above that lent at the 50 per cent penalty rate. But the Bank of Israel was forced to enlarge the regular monetary loan to NIS 540m. after the banks started raising interest rates in response to what they said was a shortage of liquidity.

The changes in the regulations were presented yesterday by the heads of the central bank at a meeting of its advisory committee as part of the Bank of Israel's plans for January.

The committee was told that the Bank of Israel would publish at the end of the month its programme of monetary tenders for January.



## Selected Prices

Name	Price	Volume	% change
NS			
<b>Commercial Banks</b> (not part of arrangement)			
OHF	22400		
Maritime 0.1	1488	482	-0.1
Commercial Bank	8030	1622	-0.2
FBI	8030	1622	-0.2
<b>Commercial Banks</b> (part of arrangement)			
IOB	102000	308	+1.0
Bank Leumi 0.1	75150	54	+0.1
Discount	126000	102	-0.6
Mizrahi	41450	371	-0.8
Hapoalim 0.1	537		
General A	175230	36	
Bank 100.0	45750	100	+0.8
Fin. Trade	57900	10	-0.3
<b>Transport Banks &amp; Finance</b>			
Bank Leumi 0.1	8700	49	+1.8
Dev. Mort. R	3480	150	
Mishkan R	22900	11	-0.2
Tel Aviv R	6200		
Mekor R	12201	37	
Bank Leumi			
Suffrost	15500		
Aeslis	335	3079	-1.5
Adgar	4803	1642	
Argaman	1700	126	
Dalia Gali	1540	198	-5.3
Lodion	805		+1.3
Luz	2113	2220	-2.6
Polyart	1020	2400	-0.4
Bank Hapoalim	8950	50	-4.8
Bank Hapoalim	5200		
Wireless Cable	358	8174	-1.8
Bank Hapoalim 5.0	1260	1466	-2.3
Prater	300	417	-0.7
Elbot	25381		
Bank Hapoalim 0.1	1810	160	
Aryl	1510	750	
Spectronics 1.0	1100	180	-1.1
T. A. C. 0.1	986		
Y.P. Claret	187	8914	+0.8
Achun 1.0	495	1125	-1.2
Aper	1781	330	-0.50
Alia	1651	90	
Gil Indus. 1.0	419	290	
Faridans 0.1	3850		
Hafia Chemicals	844	1636	
Pericase	846	1300	
Prutanan	53700		+1.9
Kotat	181	1000	-1.7
Koor p	7110	320	-1.0



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Founded in 1952 by GERSHON AGRON, who was Editor until 1955; Editor 1955-1974  
TED LURIE, Editor 1974-1975; LEA BEN DOR, EDITORIAL OFFICES AND  
ADMINISTRATION The Jerusalem Post Building, Romema, Jerusalem P.O. Box 81  
(91000) Telephone 551616, Telex 26121, Fax 551636, TEL AVIV 9 Rehov Carlebach,  
POB 20126 (61201) Telephone 294222, 288231-6 (six lines) Fax 203528, HAIFA 16 Rehov  
Nardau, Hadar Hacarmel, POB 4810 (31047) Telephone 645444 Fax 645446 Published  
daily, except Saturdays, in Jerusalem, Israel by The Jerusalem Post Ltd. Printed by The  
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## A future that is now

THE TIME-SPAN of the public's attention and concern is woefully short. The same is true of those guardians of the public weal, the politicians. Disasters due, in the opinion of experts, to take place in 20 years time tend to be put out of mind. What matters is the here and now, not long-term developments. The result is that dire warnings of what will happen if steps are not promptly taken to avert a future collapse fall on mostly deaf ears.

A good example is the threat facing Israel's old-age pension system. The alarm sounded by the Deputy Capital Market Commissioner in the Treasury, Micha Winter, at the Knesset's Labour and Social Affairs Committee this week, was not the first. If ignored, the economy will within two decades simply be unable to make good its present obligations to retired workers.

The reasons for this are somewhat complex, but they are not too hard to discover. They are mainly demographic. The most obvious is the rise, typical of all industrialized countries, in life expectancy. During the past decade alone average life expectancy in this country has risen by 3.2 years for males, to age 73.5, and by 3.1 years for women, to age 77. This trend is likely to continue, even if not at quite the same rate. Fertility rates, however, have dropped during the same period from 3.7 to 3.1 children per woman.

What this means is that fewer young working people are and will in future be around to support more elderly retired people. Plainly, the original estimates of the right size of deductions from workers' monthly salaries, and of employers' direct contributions, into pension funds were off beam. This is not true of all the mostly Histadrut-affiliated funds, but it is the rule, not the exception.

What is to be done in order to remedy the situation, and to avert the looming financial disaster?

Unless the funds are pinning their hopes on eventual bailout by the Treasury, which would be very foolish, they should reduce the danger of collapse by taking joint remedial and preventive action. The labour federation's secretary-general, Yisrael Kessar, has indeed called on the funds to pool their resources, for they will either stand together or fall together. Mr. Kessar's sensible initiative has, however, been meeting powerful resistance from the entrenched and wasteful bureaucracies that control the several funds, especially those that, not necessarily for reasons of good management, are better off.

Administrative measures will not, however, suffice. Mandatory retirement at 65 for men and 60 for women, now a tiresome anachronism, ought to be scrapped. Able-bodied and clear-minded oldsters should be allowed to continue working beyond the traditional cutoff age, thus also helping themselves out financially when they do retire.

The inevitable reform, which may amount to a radical change in the structure of pension funds, could spell some hardship. For this to be acceptable to the working people at large, some of the high pensions, deriving from government budgets, for former public officials should also be trimmed.

## Pious hands in the till

THE WILFUL channelling of government funds into party institutions has a long history in Israel. Few parties that have ever participated in a government coalition can claim total immunity against the charge of having, at one time or another, indulged in it. Perhaps the most brazen practitioner of this political art used to be the National Religious Party, during the long years it controlled the Interior Ministry.

The NRP's venerable leader, Yosef Burg, did not even make bones about the fact that he preferred that particular ministry, over which he lorded for many years, to any other, because it gave him such easy access to funds that could be turned to party use. One of the gimmicks was to transfer government funds to municipalities and local councils only on condition that some of these funds be earmarked for NRP-related institutions. Those institutions in turn were expected to help expand the NRP's constituency.

Now it is Shas that is in charge of the Interior Ministry. It is making Dr. Burg look like a novice. Officially Prime Minister Shamir presides over the ministry, holding the seat warm as it were for Rabbi Yitzhak Peretz. But effective control resides with the director-general, Arye Deri.

He has shown himself entirely adept at applying Dr. Burg's methodology to Shas's purposes, only with even fewer compunctions about propriety and such. If his hands are in the public till on behalf of his party, the young rabbi seems to be saying, that is all for the sake of Heaven, and no legitimate objection can be entered.

Herziya's mayor, Eli Landau, a member of the premier's party if not of his faction has found Deri's tactics most objectionable indeed, and has rightly raised a hue and cry.

Now the Knesset State Control Committee, duly alerted, has asked State Comptroller Ya'acov Maltz to look into the matter. This is all very well, of course, but nothing will be gained unless the Knesset passes a law making such manifestly politically corrupt practices criminal as well.

## BOYCOTT PROTEST

(Continued from Page One)

Although Mordechai expressed confidence yesterday that Israeli authorities had regained "absolute control" of the situation in the Gaza Strip, there were unconfirmed reports last night that as many as 200 youths carrying petrol bombs had gathered in the courtyard of Gaza's Shifa Hospital, throwing them at troops nearby.

Shifa doctors said yesterday that, in contrast to the gunshot wounds of the past seven days, most of the injuries suffered by demonstrators were caused by beatings, apparently with clubs.

Joel Greenberg adds:

Unrest in the West Bank remained at a low level yesterday, with scattered stone-throwing incidents reported, mainly in the Tulkarm and Kalikilya areas.

In Hebron, a tourist was hurt

A visit to the museum is educational. But kids enjoy it anyway.

FOREIGN MINISTER Shimon Peres is reported to have denied the statement attributed to him backing a proposal for the "demilitarization" of the Israeli-occupied Gaza Strip. That, however, did not stop Prime Minister Yitzhak Shamir from lashing into Peres, without first checking whether there was any substance to the reports.

The entire flap would seem to be the sort of non-event we're going to be exposed to with ever-growing intensity and irrationality during this election year, but it shed little light on the real dilemmas confronting Israel in regard to the Gaza Strip.

The problem of what to do about Gaza which has been with us since its occupation in June 1967 was further highlighted last week by the fact that the disturbances which swept through the occupied territories began with events in the Strip. In addition, it has become fashionable of late to speak of the "human time-bomb," which the rapid rate of population increase in that 45 km. long by 8 km. wide area constitutes for Israel.

Israel has never known what it wanted to do with the Gaza Strip and its teeming population, over half of whom are 1948 refugees or their descendants, rather than indigenous inhabitants of Gaza and its satellite towns. During the 10 years that Labour governments were in power between 1967-77, cabinet ministers from then prime minister Golda Meir and down periodically reiterated that Israel would never relinquish the Gaza Strip. But the area, under Labour, was placed clearly out of bounds to Israeli settlement.

The rationale for the Israeli development of the Rafiah area of northern Sinai was to establish a buffer area that would eventually be annexed but that would permit Israel to return the bulk of Sinai to Egypt, and Gaza to some other Arab sovereignty, preferably Jordan. The short-sighted insistence of Jimmy Carter in backing Anwar Sadat's ultimatum at Camp David in 1978 that every single square inch of "holy Egyptian soil" be returned in effect gave Israel exceptionally strong reasons to reject running the risks of

DEMAGOGUERY has become part and parcel of Israeli public life. Arik Sharon's three "reasons" for taking possession of a Moslem Quarter house are, as usual with Sharon, far from logical and chock-full of the kind of demagoguery that has long typified not only him but many others on the Israeli right.

His first reason is that, "Just as nothing prevents Arabs from living wherever they want in Israel," so there should be nothing preventing Jews from living where they want. It sounds perfectly logical, but there's one problem - Arabs are not exactly allowed to live wherever they want. Three students who were beaten up and thrown out of their apartment in Ramat Amidar can testify to that.

The second reason Sharon uses is that his presence in the Moslem Quarter will enhance security in the neighbourhood. The only reason security might be enhanced is because of the 34 policemen and Border Po-

# The Gaza dilemma: There's no easy exit

Yosef Goell

ever leaving Gaza, despite the problems it presents.

When, following the conclusion of the Camp David agreement, the talks on Palestinian autonomy which were part of that agreement failed to take off - due to endemic Palestinian short-sightedness and not initially to Menachem Begin's stonewalling - Shimon Peres floated the idea of "Gaza First." Neither the Egyptians, the Jordanians, nor the Palestinians, however, were ready to buy that proposal. Which brought us all back to Square One.

THE "HUMAN TIME-BOMB" aspect of the Gaza problem derives from the fact that the population there has increased by about 50 per cent during the 20 years of the Israeli occupation and, given the natural rate of increase of over 3.1 per cent, it can be expected to grow by another 50 per cent in the 13 years remaining until the end of the century.

The Central Bureau of Statistics put the population figure for 1967, based on the post-occupation census, at 381,000, with the figure for the end of 1967 being about 560,000. By the end of the century that figure should be over 830,000.

Under occupation, the standard of living of the Palestinian population of the Strip has grown tremendously - by about 120 per cent in terms of per capita private consumption, in fixed terms. The trouble is that that phenomenal growth was largely achieved during the first decade or so of the occupation.

Since 1979, it has remained relatively fixed because whatever gains were made in total income were largely wiped out by the rapid population growth. It is that situation that can be expected to get worse

during the coming years. In effect, the picture in Gaza reflects the very similar problems of runaway population growth that beset Egypt itself.

That problematic population growth is itself a reflection of another remarkable achievement made under Israeli occupation: Infant mortality has dropped from 150 per thousand in 1967 to 33 per thousand in 1986. Life expectancy has increased to 63 and is expected to grow to 69 by the end of the century - one of the highest in the Arab world. And, yet, all these good things spell trouble for the society at large. Gaza is fast becoming one of the most densely overpopulated strips of land in the world.

When one speaks in terms of a "human time-bomb," the implication is that it should motivate Israel to get out of Gaza as quickly as possible. There are certainly good reasons why Israel should wish to get out of the Gaza Strip eventually, rather than to annex it. But there are even stronger reasons why she should not contemplate doing so under present conditions.

First of all, it should be clear to all those who are truly concerned with the welfare of the Palestinian Arabs of Gaza, that Israel's leaving will not ease the problems deriving from runaway population growth by one whit. It might even make them worse.

Israel's getting out of Gaza will not solve the Strip's problems; it will simply make it possible for Israel to unburden itself of responsibility for those problems, or what is called in Hebrew army slang - *zabasham* - "it's basically their problem and not

ours, so let them break their heads over it, not ours." One can argue in support of such Israeli cynicism, but I somehow believe that that is not what the Israelis, who are truly concerned about the morality of it all, intend.

But why should Israel seek to be holier than the pope? Why shouldn't we just get out of that hellhole, which can only keep on getting worse and worse? Especially when there are few, if any, emotional, historical or religious connections to tie us to Gaza - the Gaza that was Philistine in biblical times and that was never part of a sovereign Jewish state at any other time in history.

THE ANSWER is clearly that of security. Even those among us with a shorter historical memory should remember that when the Gaza Strip was controlled by the Egyptians, it was a major source of murderous infiltration into Israel, and the presence of the Egyptian army there constituted a major threat to Israel's coastal heartland. The Strip is only 60 km. from Tel Aviv and, of course, much closer to the populous cities and towns of the southern *shefela* and the northern Negev.

The military aspects of the peace treaty with Egypt have been holding up for the past nine years, but the Egyptian government's determination to keep the spirit of the peace with Israel, somewhere between a cold peace and a cold war makes it impossible for Israel to rely even on that aspect of the peace continuing. True, the American "civilian" demilitarization units are in the Sinai buffer zone. But such arrangements cannot be expected to continue forever.

Much more worrisome is the cer-

tainty that as soon as the Israeli army leaves the Strip, it will become a major target for the smuggling of arms for use in terrorist warfare against Israel. The Palestinians in the territories have had no access to arms and explosives for a long time due to the extraordinary effectiveness of the army and the Shabak in preventing them from smuggling in arms from across the border.

It pays to contemplate how easy it would be to smuggle in katyusha launchers and rockets from Egyptian Sinai or from the sea in the absence of the Israeli Army in Gaza, with most of Israel's heavily-populated south in easy range of such deadly rockets.

Israel cannot safely leave Gaza no matter how much of a hellhole it becomes to the Gazans. It may well turn into a test of nerves between us and them, as to who is suffering more. After all, Gaza's problems are primarily those of the Gazans. If they don't care sufficiently about their own worsening situation to take the initiative in working out a solution on which Israel could rely for its own safety, and they would rather continue suffering, so be it. But if that is their choice, it is essential that we make sure that most of them break before most of us do.

It is in Israel's interest to reduce friction with the Gazan population as much as possible while continuing to police it strictly against its becoming an effective terror threat once again. This may well mean forbidding Israeli civilians to shop in Gaza (which would constitute a serious blow to the economy there) and possibly even folding up the Israeli settlements in the southern Strip and their paltry population of 2,500, which serve absolutely no useful purpose, if they keep on being a source of friction.

It's a question of setting priorities. Egypt's unabashed stepping up of its hostile stance to Israel makes it unthinkable for Israel to leave Gaza. But it would be equally irresponsible to con ourselves into believing that the annexation of Gaza will ever be a feasible or desirable goal.

The writer is a member of The Jerusalem Post editorial staff.

# Demagoguery is the rule

Robert Rosenberg

licemen, and untold numbers of General Security Services bodyguards, who will be required to guard that one apartment, 24 hours a day.

The third reason Sharon uses is the most ingenious of all: He has taken possession of an apartment that was originally built and owned by Jews 100 years ago, and therefore is inherently a Jewish property. There are Jaffa properties that were built 100 years ago by Arabs and are now populated by Jews... and so on and so forth, until from somewhere or other will come someone claiming to be a descendant of the Jebusites and claim it all.

DEMAGOGUERY RELIES on a combination of a public that is ready to believe and a demagogue with no

respect for the public's intelligence. Hatred - personal, as well as political - is part of the process, and is used to inspire more hatred.

Yitzhak Shamir's hatred for the Labour Party has never known many bounds, and his latest rampage against it reveals how little he understands about democracy.

In a long speech to a political fiction called the "Rafi-Ometz" movement, he charged that his deepest "suspicion" is that the Labour Party's "defeatism," which he equated with Shimon Peres' efforts to keep alive the embers of a peace process, "is actually motivated by a desire to rule the country alone."

Shamir's comments pretend to suggest that he believes that a political party should not aspire to at least temporary dominance in the political scene. Does he really expect the public to believe that the Likud, given the chance, would not form a coalition without the Labour Party?

UNDER NORMAL circumstances - with a substantially large opposition that makes the Knesset a watchdog on the government, a political process that makes MKs responsible to voters rather than to lobbies as diverse as the kibbutz movement or a now-deceased financier who deposits money into MK's private investment accounts - the demagoguery could be laughed at.

But the current circumstances of Israeli politics are based on a public

gullibility that knows no bounds. The shekel may have reached some stability, artificial or not, but the rhetoric is inflating, and just as people were unable to check prices when they changed every 12 hours, so is the public unable to check rhetoric when it reaches daily new heights of extremism.

The Tehiya is already on record as charging the Labour Party, and specifically Peres, with "direct responsibility" for the rioting in the territories. The Likud is not far behind Tehiya.

The election campaign has begun in earnest. Any expectations that the political debate will seriously address any issues that matter, from the peace process, to methods of repressing terror, to economic growth, are misplaced. Demagoguery is the coin of the realm.

The writer is a member of The Jerusalem Post editorial staff.

## READERS' LETTERS

### DISCRIMINATORY PRACTICE

To the Editor of The Jerusalem Post Sir, - Some days ago, speaking to the students of a yeshiva, all of whom are slated to serve in IDF, our prime minister had some harsh words for the approximately 20,000 yeshiva students who are exempt from such service. Mr. Shamir declared the situation and rightly declared that such wholesale exemption only deepens the rift between the religious and the non-religious.

But alas, in face of the ire his stance aroused among the haredim, the prime minister has backtracked. He now declares that he favours the status quo according to which every full-time yeshiva student is automatically exempted from army service. His only reservation, if it may be called that, is that if more yeshiva students served (voluntarily), it would lessen the tension between the religious and the secular.

It is all too obvious why the prime minister so quickly knuckled under to the criticism of the political leaders of the haredi camp. Mr. Abraham Shapiro and Rabbi Yitzhak Peretz. It is revealing, however, that in the latter's defence of the present system, unlike their usual posture in such matters, they did not invoke Halacha. Halacha is totally unambiguous on the subject. In a war of self-defence (*milhemet mitzva*), there are no exemptions: "even a bridegroom must leave his chamber and a bride her wedding canopy" (*Mishna Sota* 8, 7). Maimonides codifies the law accordingly (*MelaChim* 6, 4). There is not a shred of hard evidence in the course of Halacha on which to base any other opinion. To appeal to Halacha on the subject would be more than embarrassing to the gentlemen who represent the haredim in the political arena.

Instead, Messrs. Shapiro and Peretz justify the present system on the ground that this has been the practice ever since the days of Ben-Gurion. Since when does time justify an unjust and discriminatory practice? By that curious standard, any and every social or moral evil can be justified on the basis that it has a hoary history.

One trusts that the Knesset committee currently re-examining the situation will come up with a legislative proposal to right a practice that both cancels out the Jewish tradition on the subject and offends one's sense of fairness.

Rabbi THEODORE FRIEDMAN  
Jerusalem.

### HOMOSEXUALITY IS A SIN

To the Editor of The Jerusalem Post Sir, - In his London letter of December 3, David Horowitz writes: "The Church of England's failure to condemn homosexuality as a sin..."

The resolution passed by the Synod of the Church of England by a vote of 388 to 19 at the November meeting has four principles. The third principle states: "That homosexual genital acts also fall short of this ideal (Biblical teaching of chastity and fidelity in personal relationships) and are likewise (referring to fornication and adultery) to be met by a call to repentance and the exercise of compassion."

Therefore, I would suggest that David Horowitz has misrepresented the Church of England's decision. One can only be called to repentance if one has sinned.

JOHN CHORLTON  
Jerusalem.

### JERUSALEM INSTITUTE

To the Editor of The Jerusalem Post Sir, - In Avi Temkin's article of November 20, "In R&D guns always win over butter," the correct name of the institute he refers to is The Jerusalem Institute for Israel Studies.

In another article which appeared in the same issue, "Beduin's bloody code of honour," our name was omitted, although the book Elaine Ruth Fletcher refers to was published jointly by Pittsburgh University Press and the Jerusalem Institute for Israel Studies.

ORA AHIMEIR,  
Deputy Director,  
The Jerusalem Institute for Israel Studies  
Jerusalem.

### EXCELLENT CARE

To the Editor of The Jerusalem Post Sir, - At 11:30 last night, I took my wife to the Ein Kerem Hadassah Hospital emergency room and returned with her shortly before 8 this morning. In common with most people, I have had occasion over the years to take members of my family or myself on emergency to hospitals in the U.S. and, on occasion, in foreign countries.

I am happy to state that the care, consideration and efficiency of the doctors and nurses at Hadassah are by far the finest I have ever experienced. Despite the fact that I am somewhat exhausted, not having slept even for a moment last night, I feel impelled to record my deep appreciation for the excellent medical care and compassionate treatment given to my wife. In the hours at the emergency room, I had an opportunity to observe the truly dedicated attention which the doctors and nurses gave to all patients, including elderly bearded Jews, Arabs, and a young soldier who had a serious fall.

JOSEPH M. LANDOW  
Jerusalem (Rockville Centre, N.Y.).

### RARE IDEALIST

To the Editor of The Jerusalem Post Sir, - Why the brilliant Simha Diniz with all his intelligence should want a headache like the Jewish Agency beats me. The only explanation is that he must be the last of a dying breed - the rarest of birds, an idealist. It can only be of benefit to both Israel and American Jewry if a man of such capability is willing to rededicate himself to his people.

RUTH LEVITT  
Bat Yam.

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